PANAMA

AND WHAT IT MEANS

JOHN·FOSTER·FRASER

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PANAMA AND WHAT IT MEANS

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COLONEL GOETHALS,
THE CZAR OF THE CANAL ZONE.
Photograph by Underwood & Underwood, High Holborn, W.C.

PANAMA

AND WHAT IT MEANS

BY

JOHN FOSTER FRASER

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WITH A MAP AND FORTY-EIGHT PLATES
FROM PHOTOGRAPHS

TWELFTH THOUSAND

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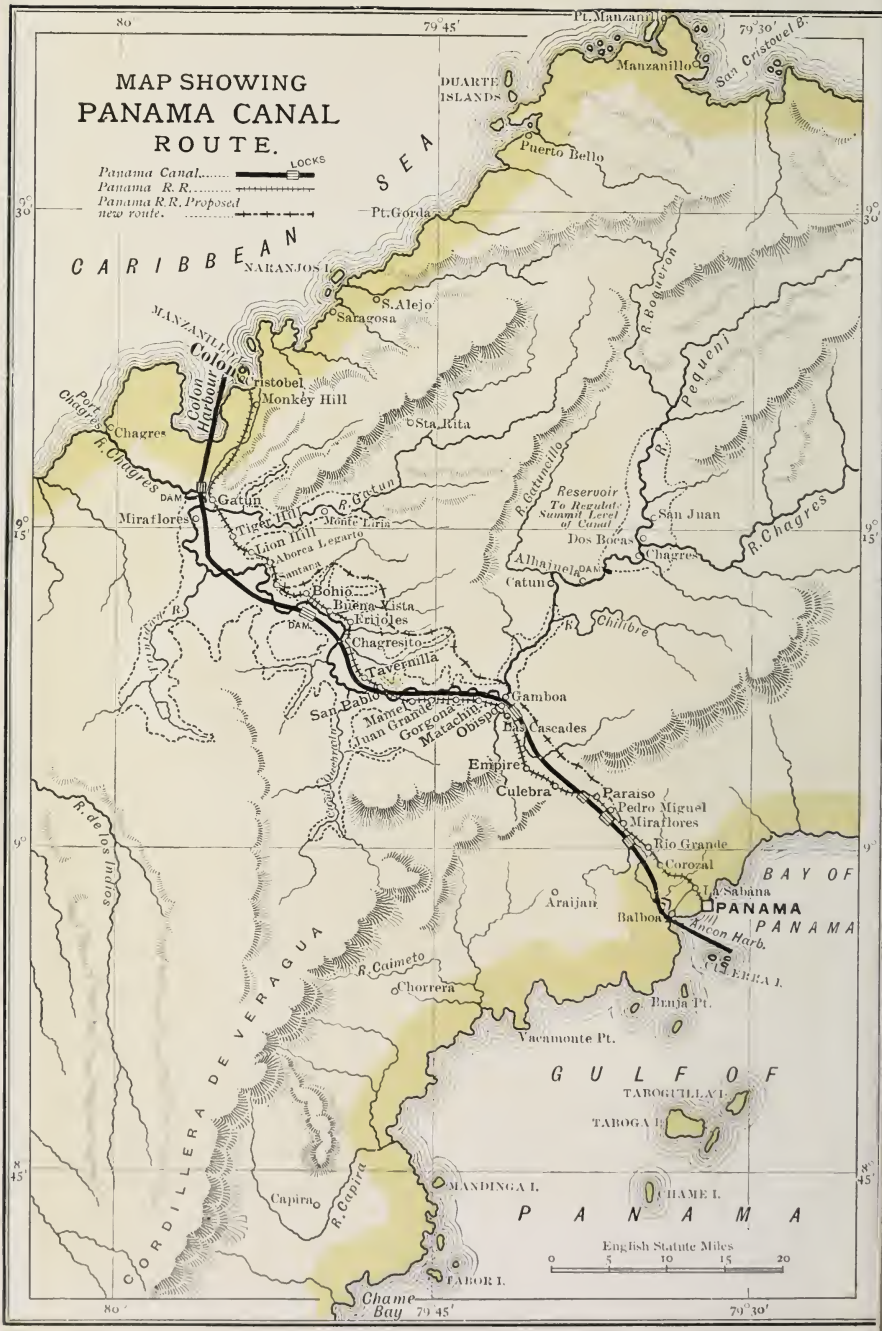

MAP SHOWING
PANAMA CANAL
ROUTE.
Panama Canal..... LOCKS
Panama R.R.....
Panama R.R. Proposed new route.....
80°
79° 45'
79° 30'
9° 30'
9° 15'
9°
8° 45'
Pt. Manzanillo
Manzanillo
San Cristoval B.
DUARTE ISLANDS
Puerto Bello
Pt. Gorda
CARIBBEAN SEA
NARANJOS I.
S. Alejo
Saragosa
MANZANILLO I.
Colon
Cristobel
Colon Harbour
Monkey Hill
Port Chagres
Chagres
R. Chagres
Sta. Rita
R. Boqueron
R. Pequeni
R. Catuncillo
Reservoir To Regulate Summit Level of Canal
San Juan
Dos Bocas
Chagres
Gatun
DAM
R. Gatun
Miraflores
Tiger Hill
Lion Hill
Monte Lirio
Ahorca Lagarto
Santana
Bohio
Buena Vista
Frijoles
Alhajuela
DAM
Catun
R. Chilibre
Chagresito
Tavernilla
San Pablo
Mamei
Juan Grande
Gorgona
Matachin
Obispo
Gamboa
Las Cascades
Empire
Culebra
Paraiso
Pedro Miguel
Miraflores
Rio Grande
Corozal
La Sabana
PANAMA
BAY OF PANAMA
Araijan
Balboa
Ancon Harb.
R. de los Indios
R. Caimeto
Chorrera
CORDILLERA DE VERAGUA
Punta Pt.
Vacamonte Pt.
GULF OF
TABOGUILLA I.
TABOGA I.
Capira
R. Capira
MANDINGA I.
CHAME I.
PANAMA
English Statute Miles
0 5 10 15 20
TABOR I.
Chame Bay

PANAMA AND WHAT IT MEANS

CHAPTER I

A BIRD'S-EYE VIEW

"YES," observed the American enthusiast, "it is a great ditch. You see those flat cars piled with dirt? Well, by the time the Atlantic joins the Pacific we shall have removed as much dirt as would fill a train of such cars 96,000 miles long, which is getting pretty near four times round the earth. Yes, it is a great ditch."

This is the spirit of the 35,000 men who, between Colon and Panama, are digging and blasting, damming rivers, fighting landslips, building locks, so the great Canal will be finished long before the official opening day, which is in 1915.

It is a big thing. The world is looking on. It is an enterprise which fits the American temperament. It is a dramatic as well as a colossal undertaking. Others have tried to build canals across the Isthmus. The French came to failure. The

Americans came to succeed. Everybody is working at top speed, and the end is within sight.

Yet at the first glance there is nothing which excites the ordinary man. Indeed, the ordinary man, if dumped down on the Isthmus and not informed he was looking upon the excavations for the Panama Canal, would probably be no more impressed than if he were looking at some big railway cutting through a hilly country. It is only when he hears of the difficulties encountered and overcome, and sees the armies of men at work in the cuts—sweating and grimy the whole day through—hears the drills eating into the rocks, is startled when the earth reverberates with violent explosions, sees giant engines delve the hillside, piling cars with debris, and the railway line is shifted nearer to the work by great arms in front of an engine, done in a sixth of the time it would take men to do, that he begins to realise the immensity of the undertaking.

Exactly how the Americans got from the Republic of Panama complete control of a stretch of country ten miles wide, and reaching forty miles from the Atlantic to the Pacific, and the agency whereby the Republic of Panama came into being at all—declaring independence from the Republic of Colombia, which was a necessary preliminary to the deal between the Americans and the Panamanians—is a complicated story with different versions.

Anyway, after spoking the wheels of other enterprises for a good many years, the United States did the right thing and determined to build the Canal as a national enterprise. Taking it that the end justifies the means, the American people are now putting their shoulders back and breathing proudly.

Before the Americans came the Isthmus was one of the earth's pestiferous spots: swampy, miasmic, with mosquitoes carrying yellow fever and malaria. Colon was "the white man's grave." Panama reeked with uncleanness and disease. The interlying jungle country bred continuous sickness.

The Isthmus is not yet a health resort; but in the immediate Canal regions it is no longer a country dangerous to health. The Americans have there laid by the heels the mosquitoes which carried the disease. All likely breeding grounds of swamp are saturated with kerosene. You go for miles, and the air stinks with the black, slimy stuff. Nearly every ditch is smeared with it. Where pools accumulate in the vicinity of the workings, niggers with copper cans on their backs saunter round and spray freely.

All this has got to do with the Panama Canal, because when the French were trying their hands men died like flies. The first thing, therefore, the Americans set about was to make it possible for men to come and work on the Isthmus without feeling they were having a gamble with death.

Now five miles on each side of the Canal is called the Canal Zone. Within that area the Americans are supreme. They own about three-quarters of the territory, and they can acquire the rest whenever they like. The two towns of Panama and Colon, though really within, are technically regarded as outside the Zone.

As these are the only towns worth thirty cents in the Isthmus, the Republic of Panama must be left a few people within the boundaries. So the Americans allow the Panamanians to have a Government; but America keeps control of the sanitation in both towns: no foul Spanish-negro-Indian camps of disease at either end of the Canal!

The residences of the officials at Colon are all like gigantic meat safes. The houses are enclosed in cases of copper screening, and folk sit on the balcony and gaze at you through the mesh. It is the same at the little towns along the route, particularly Culebra, the capital of the Zone. Likewise at Panama. The white man is guarded from the malaria-carrying mosquito. The tawny, chocolate, dusky, ebony labourers, to the number of twenty-five thousand, are left to look after themselves. Mosquitoes do not like nigger flesh.

Once the idea was to have a sea-level canal between ocean and ocean—a sort of Straits of Panama. But that would have taken too long

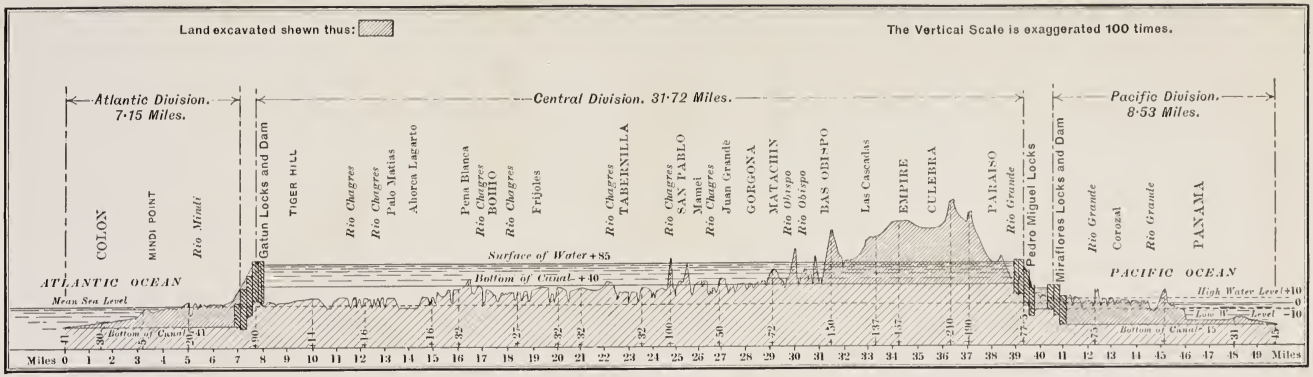


DIAGRAM OF ELEVATIONS WHEN THE CANAL IS FINISHED.

and was likely to cost too much. So the hoist over the hills is done by locks, large enough to carry any vessel now afloat.

Do not, however, imagine a pyramid of locks raising warships and liners up mountain-sides into the clouds. Dull fact must record that the highest point any vessel will be lifted above sea level will be 85 feet—up by three steps, across a great dam, along an artificial river, and then gently down three steps, and so to the sea.

You probably arrive in the Isthmus with the belief that as Panama is on the Pacific side it is west of Colon. If so, you have speedily to improve your knowledge of geography. Colon really lies west of Panama, and instead of the Canal running east to west it runs from north to south-east.

From shore to shore the Canal is about forty miles, but five miles have had to be cut through shallow shores on both sides. Accordingly the real length of the Canal from deep water to deep water is fifty miles.

In the future, when you journey that way to New Zealand, you will travel from the Atlantic through a straight seven miles of 500 feet wide canal. Then you come to Gatun, and three locks will lift you 85 feet till you reach the level of Gatun Lake. It is not a natural lake, but artificial, 164 square miles in area, created by damming the River

Chagres. Across this lake you can go at full steam for 24 miles along a buoyed route. Then you reach the Culebra Cut, the thing of which the Americans are proudest, because it has caused them most trouble. This cut is nine miles long, hills on each side, and the cubic yards of earth-rock cut away run into dozens of meaningless millions. When the Americans have cut away what they consider enough millions there is generally a "slide," and down comes, or out bulges, a few more millions of cubic yards, burying implements, rousing "langwidge," and costing much money to remove. These "slides" are turning the heads of many men grey; but they are going to stop if a whole mountain-side has to be removed.

This cut will get its water from the Gatun Lake. So to Pedro Miguel, where you will begin going downstairs. A lock will lower you 30½ feet to Miraflores Lake. You will steam across a mile and a half of lake. Then two locks will lower you 54⅔ feet, and you will be on the level of the Pacific. Away you go for over eight miles, and you glide upon the waters on the west of the American continent.

Such is the Panama Canal in rough outline. It seems rather a simple affair in engineering; yet the more one sees the more one wonders and admires.

For several weeks I jogged up and down the

A STEAM SHOVEL AT WORK.

drunken construction line, now along the bed of the finished way—outside the locked region it is 40 feet below sea level—now scrambling over "slides," now wandering through the huge white casements of concrete locks.

The noise is tremendous. Bell-clanging and shrieking engines, with cars piled with excavated earth, are rumbling off to aid in the construction of a dam, or a great "spit" on the Pacific side. All the rock and soil is volcanic and grey and red and irregular. *Boom, boom,* go the dynamite explosions, and a chunk of a hillside is disintegrated.

A monster of an engine shovel, almost uncanny in its movements, comes reeling forward over the uneven way. It bends its head, and then sticks its snout into the debris. There is a clatter, and it jerks back its head, and in its maw are four tons of broken rock. It heaves on one side, and from a door under its chin, as it were, dumps its load on one of the long cars. Then it plunges for another mouthful.

The cars are ugly and battered. They have a fence only on the side away from the shovel. Between each car is a steel plate, so that it is just like a long ribbon of a car. When the shovel has deposited its mouthful a bronzed and sweating American, with his blue shirt open at the throat, gives the waggle of a yellow flag, and the engine-

driver hauls along a few yards so the next mouthful may have room. Thus it goes on, with clang and clamour, till the train is loaded.

Away it rolls. The " dirt " is wanted for a dam in a declivity between the hills.

It is not necessary to have hundreds of men to unload. At one end of the cars is a steel shield standing at an angle. To it is attached a steel rope, and the other end of the rope is attached to an engine. The engine pulls, and as the shield travels over cars and protecting plates the debris is sliced to one side overboard. There it lies in a long heap. The cars grunt and groan on to other work. Up snorts a " spreader," an engine with an arm stuck on one side. The arm, as it passes along, knocks all the debris flat.

That is one of the features of the Canal making, the thousands of men employed, and yet only a few men engaged in one place on one particular job.

When the shovel has eaten away its section, and it has then to start over again eating further into the hill, but its neck is not long enough to reach the cars on the former track, along comes a track-lifting machine, and with its long, steel hands it raises the track up and places it near the shovel, just as though it had intelligence and were straightening a rope.

Like the song of tropical crickets, the hydraulic

A TRACK-SHIFTING MACHINE.

drills are champing into the rocky face. You are down near the bottom of the "ditch," and you look up the hillside where the French started cutting thirty years ago. There has been a "slide," and a stream has got into the cut, and there is the pant of the pumps as it is sucked up and carried away.

Here comes a train of cement, another of broken rock ripped from the cheek of Ancon Hill, near Panama, another of white sand from the Pacific coast. All are put near where the 1,000 feet long double locks are being constructed. A skinny, steel skeleton is standing in the middle of the Canal, and it has a long steel lever which stretches to the Canal side. Beneath that lever you see what is like a cab, and, sitting in it you may discern a man, pulling and pushing levers. The little cab runs out to the end of the arm, drops a big gobble spoon amongst the cement or the broken stone or the sand, and pulls it up and carries it to where the mixing is going on and the concrete slabs are being made to provide the casing for the lock walls, or the mush of concrete rubble with which the middle is filled. The steel lock gates are being adjusted, and the air is rent with the fury of riveting.

Nothing is finished. Everything seems confusion. The air is hot and clammy, and sickly odours come from the jungle. Men are all in their muck, pushing on, working to schedule, knowing what

they have to do and how long it will take them to do it.

There are the lithe, chewing Americans, clean-skinned, clean-eyed, really feeling joy in what they are helping to do. There are the sluggish Spaniards, the more sluggish mixture of Spaniard and native, but kept at it under the stimulating tongue of the gang boss. There are the niggers, easygoing, and all of them from the British island of Barbados. There are Italians and Scandinavians; there are Chinese; there are even slim-limbed, gentle-featured East Indians with heads voluminously swathed in dirty turbans. The labour of the world has been placed under contribution to build the Panama Canal.

Yet not of all the world. I found no Frenchmen. It would be too sad for a Frenchman to work here. What ruin came to thousands of French families in the Lesseps Panama fiasco! But only a fiasco financially. The French did splendid work, and much of the present excavation is a continuation of what the French began.

A "SPREADER" AT WORK.

CHAPTER II

MANAGEMENT AND MEN

In its way the administration of the strip of land ten miles wide and running from the Atlantic to the Pacific, with the Canal threading the centre, is as remarkable as the engineering feat which is being accomplished.

Remember, the region is unhealthy jungle. The population, a breed of Spanish-Indian, is sparse, and with none of the strenuousness necessary to remove mountains. The Panamanians of the capital city are lazy and conceited.

When the Americans, some nine years ago, took the construction of the Canal in hand, they had to bring government, people, food, clothing, mechanical equipment. True, some of the machinery abandoned by the French was found efficient, and a few of the houses, though neglected for years, were habitable. Good use was made of the old hospital buildings which the French had left at Ancon, a slight elevation just outside Panama.

To-day there is a long straggling camp of 65,000 persons in the Isthmus, 2,000 miles from the base

of supply. There are 10,000 white workers, 25,000 coloured workers, and the rest are their women and children.

Houses had to be erected for these folk, provision made for feeding and clothing them, sanitary conditions attended to, arrangements made for their succour when sick or maimed, arrangements for policing them, educating them, seeing to their spiritual welfare.

Everything is now working as efficiently as though the inhabited trail across the jungle were a model town in the middle of civilisation.

But when the Canal is finished the United States is going to clear out all these people, and most of the houses will be destroyed. Except that for actual employees on the Canal, the Government land will return to jungle. Settlers are not wanted. The climate is not good enough, and the soil is too poor to attract United States farmers. No doubt West Indian negroes would be willing to squat and scratch a living. The United States Government has already quite sufficient coloured people to look after, and wants no more. Therefore, when the work is finished the Canal Zone will be rigorously depopulated.

Of course, the Americans are a democratic people, but they are having no democratic nonsense in Panama. Government is autocratic; generous, but autocratic, and even despotic nevertheless. The Czar

of the Isthmus is Colonel G. W. Goethals, and there is no court of appeal. He is chairman of the Canal Commission and chief engineer.

At first the chairman was a civilian, and the executive of seven, appointed by the President of the United States, were strong men who got in each other's way. There were too many ideas for progress. Contrary orders caused trouble. Discontented employees appealed from one member of the executive to another.

All that was stopped by the appointment of a military man as chairman. Colonel Goethals was recognised as the foremost engineer in the United States Army. He was an organiser, and he had discipline. Since he set foot in the Isthmus five years ago he has been careful never to wear military garb.

Ostensibly the Zone is under civil administration. Actually it is under military rule. The Americans like it. It has stopped bickerings between the higher officials. The Colonel is supreme. He gives his orders, and they have got to be obeyed. He never argues. He will listen to a criticism quietly, almost deferentially. Then he will say, "Now go and do the work as I ordered. That is what you have to do. I take the responsibility."

He is a big man, straight-shouldered, inclined to put on flesh, has grey hair parted in the middle, is grey moustached, is fresh complexioned for a man

who lives so much in the open, and he has grey eyes curiously like Kitchener's.

There is nothing of the American snap about him. He never hurries. He does not "blow" about the Canal. Notoriety is obnoxious to him. I was lunching with him one day, and a hustling, aggressive New York photographer turned up and wanted to take "two studies of the Colonel standing on the porch." No; Colonel Goethals would not have his photograph taken. In that respect he is as elusive as Miss Corelli.

Confidence, decision, inflexibility—those are the characteristics behind the calm demeanour of the man who is making the Panama Canal.

Constructing the Canal, therefore, was not just a case of bringing shiploads of labourers and setting them to work. A colony had to be established in what was one of the unhealthiest regions in the world. The necessities of communities evolve with the years; here the necessities had to be provided first.

The Americans have been in the Isthmus for eight years; but most of the first three years were spent in bickering, quarrelling, and in making preparations for the work which has been done in the last five years.

First the Zone, infamous for its yellow fever and malaria, had to be made habitable. That work was done by Colonel Gorgas, "the man who cleaned up

Havana," a gentle-mannered American, but rough toward disease. He cleaned up Panama. He provided for wire-encased houses wherever settlements of workers were to be. He sent forth men to douse rank, swampy regions with kerosene and stay the peregrinations of the malaria-carrying mosquito. Sanitary inspectors were amongst the first officials appointed.

In the meantime, while the route was being surveyed and the Americans could not make up their minds whether to have a sea level canal or a lock canal, steamers were coming from the United States and the West Indies with labourers, white and coloured. Other steamers were bringing frame houses, to be erected by the thousand, and all the furniture. Other steamers were bringing railway metal. The great engineering works in the States were constructing engines, and special trucks, and all the mammoth machinery requisite for cutting through hills. Everything was brought in bits and adjusted on the Isthmus. For instance, there are 100 steam shovels, including fourteen of 105 tons, thirty-two of 95 tons, thirty-five of 70 tons, and so on. There are 158 American locomotives all over 100 tons. There are 560 drills, over 4,000 cars, 10 track shifters, 30 unloaders, 26 speeders, 20 dredgers, 57 cranes, 12 tugs, 70 barges, 14 launches. All that was wanted, or likely to be wanted, was brought.

The army of workers is divided into two sections, "gold employees" and "silver employees." All through the Isthmus you see these two legends on adjoining doors in official buildings. They make a sharp division in the supply stores. There is a gold and silver currency in the Isthmus—gold is United States and silver is Panamanian—and the stranger is much confused in finding out whether he is paying 50 cents gold (2s. 1d.) or 50 cents silver (1s. 0½d.). The "gold employees" are the officials, clerical force, construction men, and skilled artizans, and are practically all Americans. The "silver employees" are others—Spaniards, Italians, West Indians.

The Panamanian silver dollar is the same size as the United States silver dollar, but just half its value. Spaniards and their fellow-workers know the Panamanian dollar. If they were paid in United States currency, though the purchasing power would be the same, it would amount to just half. So they prefer 50 cents silver to 25 cents gold. Uncle Sam, cute business man, is willing to oblige. He mints fat, weighty Panamanian dollars, which make the coloured gentlemen think they are earning a lot of money.

The American employee gets better pay than he would in the States. He has house-rent free for his family—a heavy charge at home—and he is able to get food at practically cost price, whilst doctoring

STEAM SHOVELS AT WORK, SEPTEMBER 9, 1912.

costs him nothing. The highest paid "silver employees" are the Spaniards, most of whom earn 10d. an hour. The minimum pay to the West Indian negro is 5d. an hour. Though sleeping quarters are provided, the nigger does not care for barrack life. Thousands have taken to the "bush."

Amidst the wild tropical vegetation are clusters of huts, sometimes made of planks, but more often of old boards and old sheets of corrugated iron. They are crude and insanitary, but the nigger likes to have a "home." Several years ago the authorities endeavoured to stop this "bush" life. It was concluded that the men who lived at "home" were not so strong physically as those who fed in the Commission kitchens and messes. Then the attendances of men at mess meals fell below the number of workers, and it was felt that niggers were saving money by missing meals and not working with the strength expected. An order that no West Indian should be provided with sleeping accommodation till he showed his meal check only sent thousands into the "bush." Most of the coloured workers now live in the "bush" and fend for themselves. Any attempt to drive them into Commission quarters would lead to labour trouble. So things are left alone.

Twice a month an armoured train, laden with bullion for wages, crosses the Isthmus.

The commissariat department is in the hands of the Government. With the exception of a few vegetables and some fruits, Panama produces nothing. All foodstuffs have to be brought 2,000 miles. It means the arrival of one steamer each day to feed the population. The Commission spends £2,500,000 on supplies in a year. It has established over twenty general stores in the villages and camps in the Canal Zone, and eighteen hotels for white "gold employees." At Cristobel, adjoining Colon, the "Commissary" has enormous plant for cold storage, ice-making, bakery, coffee-roasting, and laundry. I will write of that later on.

Each morning, at four o'clock, a supply train of twenty-one cars leaves Cristobel; ten of them are refrigerator cars with meats, ice, and perishable articles. These are delivered at Gatun, Gorgona, Empire, Culebra, Pedro Miguel, Balboa, Panama, and all the little camps on the way.

No endeavour is made by the Commission to make a profit out of the stores. Everything is "cold storage." The people feed well, and the Government takes special pains to see that its workers are well nourished. The average daily meat ration of the American engaged in making the Canal is 1½ lb., vegetables 1 lb., and bread 12 oz. I doubt if there are any working men anywhere who eat so much meat a day as do the American workers in the tro-

pics. At the hotels three meals can be got for 1s. 8d. a day. There are kitchens where the coloured men can get three meals for 1s. 1½d. a day. Thousands of the niggers, however—those who are unmarried—do not use the kitchens, but buy something at the stores and eat in the " bush." More money is spent on the Isthmus in ice than in bread.

A law court and a criminal court have, by order of the President of the United States, been set up in the Zone. There is a police force. Schools have been established, twelve for white children and seventeen for coloured children, and the youngsters in the " bush," or living away from camps, are picked up by trains and taken free to the nearest school-house, and afterwards brought back again. Water-works and sewage plants have been installed, and fair roads have been constructed, mainly by prison labour. Post offices are numerous. Two banks have offices in the Zone. At Ancon is the great hospital with sixteen hundred beds. All employees have free treatment.

I have purposely dwelt in this chapter on the appurtenances to the Canal. The outer world knows of the Canal, but has paid small heed to what has had to be done to make the cutting of the way possible.

In Panama the United States is the most paternal Government in the world. The community is the

result of organisation. And when ships begin to use the Canal, the Americans, by deliberate intent, will destroy most of the Zone buildings, send the people away, and let the jungle triumph where now are thriving towns.

CHAPTER III

THE RAW MATERIAL

THE authorities would not employ cheap white labour from the States. They had an idea that the prestige of America would suffer if low-paid white citizens had to work alongside the mixed breeds on the Isthmus or amongst the blacks.

Nor did they ship any of the black population from the Southern States. Probably the owners of the cotton fields objected to the withdrawal of workers. What is more likely is that the coloured folk, full of suspicion about the unhealthiness of the climate, would only have been attracted by very high pay, with the consequence that when they were sent back from Panama to the States they would have been dissatisfied.

The Americans turned to the West Indies for the supply of unskilled labour. The healthiest of the islands is Barbados. It has a packed black population, stalwart and healthy, which finds difficulty in advancing much in prosperity above starvation point.

Here was an almost illimitable well, where wages

were lower than those paid in the cotton fields of the Southern States, and where plenty of workers could be obtained at a remuneration which would not satisfy the American nigger. When they were no longer wanted they could be shipped back to Barbados; if then there was dissatisfaction about the wages, that would not be the business of the American people.

The boat by which I journeyed to Colon put in at Barbados. We took on board several hundred labourers, their wives and their offspring. Agents had been busy putting forward the usual blandishments about the wealth that was to be obtained by working on the Canal.

The emigrants were picked fellows—big, muscular, and good-natured—and they made camp on the lower deck and alongside the middle deck. They and their families brought their worldly possessions with them—beds, cooking utensils, gaudy boxes—and they jammed every corner of those parts of the ship allotted to them. I never saw such a squeeze; but they were perfectly happy. Families squatted together, and the hatchways were crowded. There was no room to stretch themselves; they slept higgledy-piggledy in the most cramped of postures. The men were in their workaday clothes, picturesque but frequently ragged. Grinning faces showed beneath tattered straw hats. "Mamas,"

bulky, loose-fleshed women many of them, with features black as night, but with teeth so bright and regular that they would make many popular music-hall ladies jaundiced with envy, were in the gaudiest of print garments—yellows and reds and blues—and every one had her head swathed in a bright-coloured handkerchief. The piccaninnies, dark as ebony, toddled about as lacking in attire as when first they came into the world.

The shipowners did not provide plates or cups. These the dusky passengers had to bring along with them; mostly they were of tin. And it was an amusing sight when feeding time came along. The ship's servants brought up cauldrons of soup or tea. The passengers, presenting their meal tickets, had food poured into their pans and slabs of bread pushed into their fists, and then, sheering off, they huddled together and gulped the meal as though they were ravenous. There was plenty of chatter and laughter, and what the white folks would have considered the discomforts of travel they regarded as a joke.

Many of them brought musical instruments with them, chiefly banjos. Outside my cabin window were half a dozen men and women; they gossiped with shrill tongues, not only throughout the day, but throughout most of the night. Two of the men, armed with banjos, but by no means profi-

cient, twanged the same three chords by the hour. When I suggested they should go to sleep and let me have some sleep also, they replied, "All right, massa!" lay still for ten minutes, whispered for five minutes, gradually got back to their former key, and in half an hour were as noisy as ever.

In the evening, when we were steaming through the calm, quiet waters, and the air was balmy, and the only light was that of the moon, some coloured man or woman would start humming a hymn of the Moody and Sankey type. It would be taken up by neighbours, and before long a hundred voices were singing, in the quaint accents of the islands, "Hold the fort, for I am coming!" Then suddenly from the recumbent throng would spring up a fervid Christian, who considered the moment opportune to dwell upon the wickednesses of life, and to point out that unless his hearers turned from sin the punishment awaiting them would be terrible. The black people lay about, whilst he told of the golden crowns which they would wear if they went to Heaven, and the fiery torments which would be their lot if they went to Hell. He would start praying in a passionate, almost shricking voice. I confess that I could not restrain a smile, remembering we were in warm tropical waters, when he beseeched the Almighty

BUILDING THE BREAKWATER TO PROTECT THE ATLANTIC ENTRANCE TO THE CANAL.
JULY 21, 1911.

not to let the ship run into an iceberg as did the *Titanic!*

The morning we reached Colon, with the low-lying, swampy land on the horizon, there was a transformation. All the old patched garments, which had been good enough for the voyage, disappeared. The crowd were arrayed in the most gorgeous of attire. As there was no privacy, how the coloured ladies and gentlemen managed to deck themselves in their finery will be an abiding mystery to me. Anyway, they were tricked out in the most gorgeous of their feathers. No half-tones for them. Flaming reds, blues, greens and yellows were what the ladies liked. There was a made-at-home look about their clothes, though the amateur dressmakers had probably coloured prints as a guide. There was an easiness of fit which would probably have caused tears to trail down the cheeks of fashionable costumiers. The hats were enormous, and decorated with birds of a kind and plumage which must have been conceived in the absinthe-loaded brain of a mad artist. The dusky features and the gleaming teeth were partially curtained with the most voluminous and decorated veils. None of your dainty little hands were to be seen amongst these passengers, but big, broad, useful fists; and they were all pressed into white cotton gloves, and in some cases even white kid.

As for the men, constantly grinning, they had cut-away coats, grey trousers—all of them rather too long—socks as bright as their shirts, and patent leather shoes. Where these people got the money to make themselves so glorious and so happy I did not venture to inquire; but there never was a jollier crowd in the world.

Away to our left was the streak of coast line. As we ploughed through the burnished copper sea we could discern a few palm trees showing above the quivering haze. Colon, our landing-place, revealed itself like a stack of white houses apparently resting on the water. Away to the right was a long streak, as though an inky pen had been drawn across part of the sea. This was the breakwater which the Americans have constructed to provide shelter when the furious "Northers"—and they can be furious indeed—blow this way.

We slowed to a crawl. The heat was terrific. The atmosphere was humid. Even when sitting still in the shade one perspired. The more one absorbed iced drinks, which the Jamaica boy supplied, the more did one's thirst grow.

There was a dot on the water, travelling quickly towards us; really an electric launch. We knew that the doctor, appointed by the Americans to see that no one likely to bring sickness into the Isthmus, was coming. When the launch drew nearer

we could see the Stars and Stripes at the prow. With a dash and a swing the launch was alongside, and up the ladder came the doctor, black-bearded, and his two assistants, clean-shaven, the three of them sun-baked, khaki-clad, pith-helmeted. Those of us who were saloon passengers were first chivvied together in the dining-room and slowly paraded past the doctor, who asked questions. Folk like myself who were on a visit had no trouble. Panamanians, including about a dozen schoolgirls returning from being educated in Europe, had to stand on one side. They had to bare their arms. With a little grimace, and sometimes a little squeal, they were pricked and inoculated against small-pox.

Every one of the coloured passengers had to be inoculated. They were driven to the rear of the ship. Then, one by one, they came up the companion way. The doctor's assistants put out their hands and dexterously jerked up the eyelids, on the look-out for ophthalmia. Having passed this stage, each person had to bare an arm. In the twinkling of an eye the little instrument made the injection, and the coloured folk, pulling down their sleeves, passed on with a grin. It was with true American alacrity that the inoculation proceeded. I think the crowd must have been dealt with at the rate of about twenty a minute.

Meanwhile we had crawled toward the piers and

wooden sheds in the harbour of Colon. Panamanians, of weak coffee-coloured complexions, were there to meet friends. Wharf labourers were in throngs to assist in the berthing of the ship. There was no breeze. The heat was like the breath of an oven. I personally felt as though I was dribbling away.

But we had reached a port which, though little known to the outer world, is going to play a great rôle in the history of the future.

CHAPTER IV

THE GATUN DAM

The construction of the Canal is costing the United States £80,000,000, which is just the sum it cost Russia to build her trans-Siberian railway.

Some miles of the Canal track are navigable, and the great Gatun Lake, with an area of 164 miles, has come into existence. Lock building is proceeding apace. By September of this year (1913) Colonel Goethals hopes to take a boat through from the Atlantic to the Pacific.

That does not mean the Canal will be finished before the appointed time. Much remains to be done, including dredging to a considerable extent, before the world's commerce will be invited to pay its money and take the short cut. It will not be till January 1st, 1915, that the American eagle will have its great scream and the President of the United States will be expected to deliver a noble oration. You will scarcely be able to see the Canal for star-spangled banners. A procession of warships will steam from Colon to Balboa, and everybody who has had a two years' hand in the slicing of

the American continent will be entitled to receive a medal.

People, comfortably seated in deck chairs on fine ships, sailing over the smooth waters of the lakes and between the rock-breasted cuts, and being lifted by three locks to a stretch of over thirty miles, and lowered again through three locks, will be legitimately enthusiastic.

But most of the hard work, the result of twentieth century engineering, the triumph of puny man over Nature—and many a time Nature has deliberately resented this carving through the spine of the hills, and has smashed the work of months—will be hidden beneath placid water.

One difference of this Canal from other canals of less importance, or rivers where the drop is all in one direction, is that the vessels will be lifted into a hilly country, where there are no navigable streams, and then lowered on the other side of the range. This will be, and is being accomplished by impounding the waters of the Chagres River and its tributaries. The Chagres is a turbulent river, born in the unexplored region of south-east Panama, and drains an area of some thirteen hundred square miles.

In the dry season hitherto the Chagres has run more or less smoothly through the hills across the Gatun valley, and escaped into the Atlantic. In the

THE GATUN DAM, WITH THE WATER OF THE LAKE BEGINNING TO RISE, JUNE 7, 1912.

rainy season it becomes a reckless monster scouring all before it. When it rains in these parts it really rains. It is so dense you cannot see through it for twenty yards. The average rainfall at Colon is 130 inches. Two and a half inches of rain have been known to fall in three minutes. When there is a heavy downpour, and the Chagres is in flood, the water rises amazingly—31 feet in twenty-four hours. At one point, Gamboa, the Chagres in its tumultuous moments discharges per second about two-thirds the amount of water which goes over Niagara Falls in the same period.

This river has been captured. Its way to the Atlantic is stopped by the Gatun Dam; the water has filled the Gatun valley.

It would have been impossible to have let loose a torrent like the Chagres direct upon the Canal. But its discharge into the lake, at a distance from the zigzag track of vessels across the lake, will be imperceptible, except at the escape over the "Spillway" at the lower end of the lake.

Gatun Dam—with three descending locks toward the Atlantic, together with the "Spillway" into the tail end of the Chagres—is built right across the valley, a mile and a half, and is buttressed at either end by the hills. The immensity of the dam, half a mile wide at its base and 100 feet wide at its crest, does not strike one at first; the slope of the bank,

away from the lake, is so gradual. Rock, sand, and clay, steam-shovelled from excavations and dredged from pits, form the bank. I was informed that the entire dam contains 21,000,000 cubic yards of material, which sounds a good deal.

This dam has completely changed the topography of a wide stretch of country. The valley has gone. The old village of Gatun is buried beneath the waters of the lake. It was a quaint native village on a loop of the Chagres. Long ago the bongo-boats of men going to California seeking gold would stop at Gatun, where one traveller records "eggs were sold four for a dollar, and the rent for a hammock was two dollars a night." The French, when they were excavating their canal, had big works here, and quarters for five hundred men. Up to five years ago it was one of the centres of the river banana trade. Stores, houses, church, however, have all disappeared. The natives have been quietly, but effectively, chivvied out of Gatun and the whole valley. The new Gatun is built up the hillside. The old railroad track between Colon and Panama is submerged. The new track keeps to the east of the lakes.

All the country is matted, tangled, impenetrable jungle. As the water creeps into the dips and climbs the hills all vegetation seems to give up the struggle. It just rots and dies. The thick-leaved

GATUN SPILLWAY: GENERAL VIEW LOOKING WEST AUGUST 4, 1912.

trees go bare; they stand grim in the water like skeletons of themselves. The trees about the edge of the lake are as sad and forlorn as the trees often are in an Australian landscape. The bed of the Chagres is hidden for near twenty-four miles. So is a diversion of the river which is blocked by the dam. So is a section of the old French canal.

The "Spillway" is, of course, a weir, so that the lake does not rise to a height that would flood the locks. It is a curve of concrete construction 1,200 feet long, and the water will spill over a slope 300 feet wide, to a channel 10 feet above sea level, which will take it to the Chagres bed about a mile away. Thus it will run to the sea. As the land between the Chagres and the sea level section of the Canal is low, the bank on one side has been reinforced to prevent overflow into the Canal.

By the side of the "Spillway" a culvert is being built. Down on the level ground at the back of the dam a huge electrical power-house will be erected. Water power will be used in generating electricity which will work the "Spillway" gates, supply the power for operating the lock gates, and hauling the ships through the locks, lighting Gatun, and providing illumination for the lighthouses which will mark the channel through the lake—and very odd some of these lighthouses look to-day, standing amid jungle which has not yet been reached by the water.

Now, to arrive at Gatun Lake from the Atlantic, or to descend from it to the Atlantic, there are three flights of double locks, each 1,000 feet long, so that vessels can be lowered whilst others are being raised; indeed, to economise water, a full lock can transfer much of its supply into the basin of its neighbour. The width of each lock is 110 feet. Beyond the gates of the lower lock and the upper lock are long walls to which ships can moor whilst waiting their turn to pass through the locks.

All the locks, which are in the wall of the dam, are of concrete, and all the manufacture has been carried on in one of the basins of the locks. A tremendous excavation had to be made to reach a foundation of rock. Each lock will, at the lowest point, have a draught of 40 feet sea water. The steel gates are colossal: you could drive a motor-car on the top. They are 7 feet thick, 65 feet long, and from 47 to 82 feet high. In weight they vary from 300 to 600 tons. The ninety-two leaves needed for the entire Canal will weigh 57,000 tons. At the upper end of each lock the gates are double, as a guard against accident. They are built of girders, stoutly framed and sheathed in steel plates. The lower half of each gate is composed of airtight compartments, so that in swinging it will partly float and relieve some of the pressure on the machinery working it. In the middle of each lock are supple-

THE SPILLWAY AT GATUN, SHOWING THE RISING SURFACE OF GATUN LAKE IN THE DISTANCE, SEPTEMBER 7, 1912.

mentary lock gates. Generally it will be vessels of 600 feet or less which will pass through, and it would be waste to fill a thousand feet length of lock. Water will be admitted or extracted by means of culverts 18 feet in diameter in the side and middle walls, and also by means of pipes in the bottom, and thus there will be secured an even rush of water. The side walls are 50 feet through at the base, rise perpendicular on the water face, and are 8 feet wide at the top.

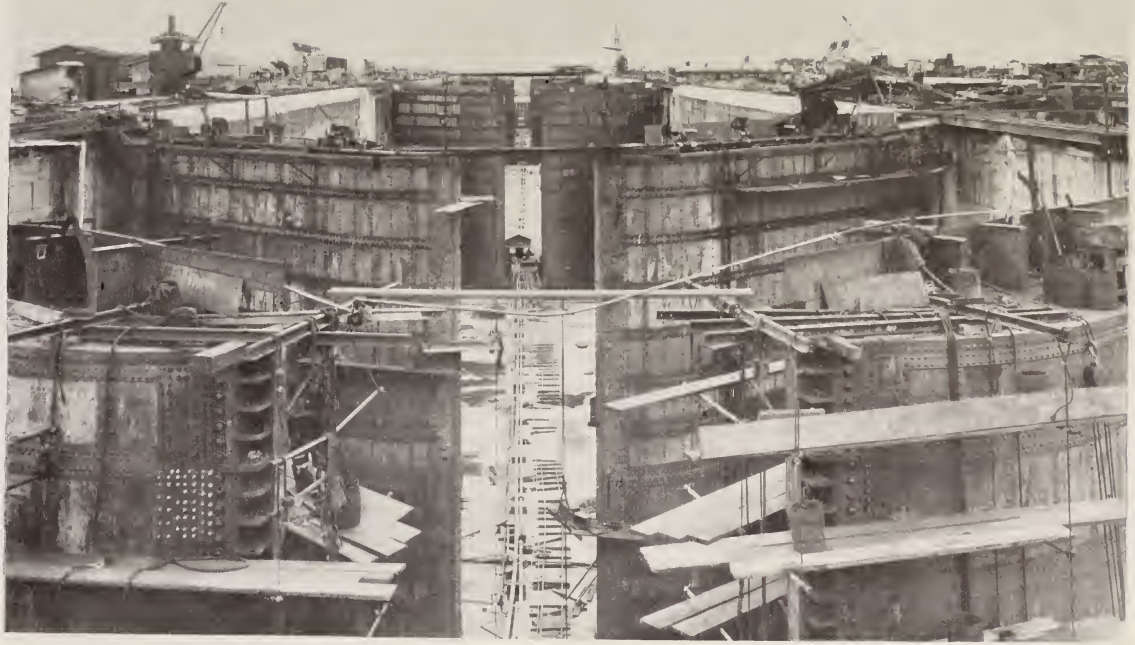
Once a vessel approaches a lock it will cease to use its own steam. It will be towed through by electric locomotives running on cog rails at the top of the lock walls. Four engines will take charge of each ship. It is reckoned it will take about fifteen minutes to fill a lock and about three hours will be occupied to pass through the six locks—the three at Gatun I am describing and the three locks on the Pacific side. To go from ocean to ocean will probably take from ten to twelve hours.

I have mentioned the double gates at the top and lower end of each flight of locks as a protection should a ship prove obstreperous and ram, which, in the case of a single gate, would be disastrous. Not only is there this protection, but before the vessel can charge the first gate it will be checked by a chain with links of steel 3 inches in diameter. The chain will be attached to hydraulic cylinders

in shafts in the lock walls. As the chain is hit and runs out the resisting pressure will be so great that the cylinders will, in 70 feet, stop a 10,000 ton vessel travelling at four miles an hour. If an approaching ship shows no signs of recklessness, the middle of the chain is sunk to the bottom of the canal, and the vessel passes over.

There is almost an excess of precaution. Suppose tragedy happened by the chain breaking, and both gates were smashed, and the Gatun Lake began seething through the damaged lock ? To fix another gate, hoisted before such a turmoil of water, would be impossible ; so there will be two emergency dams at the upper end of each flight of locks. An emergency dam begins by being a network of open framed steel which can be let down slides in the concrete on each side the lock. This in itself will in no way stem the rush ; the water will continue to seethe through the lattice. But in the frame are big slots, and down these steel plates can be slipped. When a row of steel plates has dropped along the bottom of the canal another row is let down on top of them, and then another row till the top is reached. Though there will still be a tremendous flow between the plate joints the torrent will be stayed.

Now by the side of each upper dock will be floating a huge hollow steel caisson. The rush having



GATUN UPPER LOCK, SHOWING GUARD GATES, OPERATING GATES, INTERMEDIATE GATES, AND SAFETY GATES IN PROCESS OF CONSTRUCTION, JUNE, 1912.

been broken, this caisson can be swung across the canal, exactly the width of the canal, and in front of the emergency dam each end presses against a sill. The caisson will be filled with water. It will sink and provide an effective barrier against the torrent. The lock at the back will then be empty, and steps can be taken to repair the smashed gates. This emergency dam is one of the most ingenious inventions in modern engineering.

In my ears still sounds the roar of the work. As for the spectacle, it is not a dainty sight. The country has been ripped to pieces, and there is no tidying up yet. Engines are barking over the torn, dishevelled earth, and cars are disgorging "dirt" to strengthen embankments. Dredgers are hoarsely clawing their way along the lower channel of the Canal. There is the snort and the thud of pile-driving. Dozens of swing cranes are carrying material. An engine on the lock side is grunting whilst heaving a piece of machinery. Down in the hollow of the lock walls men are busy fixing the electrical appliances. The grey plates of the lock gates, daubed red, are being lifted into position, and there is the rattle of the electric hammers.

I crawl over the debris and dodge a running crane and clamber on the top of a gate. Away below, in the pit of the lock, engines are scurrying over temporary tracks. The workmen are like flies.

The dust of the concrete gets into one's throat this steamy tropical September day.

White men, brown men, black men, thousands of them, are toiling in an apparent welter of confusion. Then my eye travels south. There is peace, the calm leaden waters of Gatun Lake are rising slowly, steadily, the first proof that all this striving counts for victory.

CHAPTER V

THE CULEBRA CUT

THE popular, spectacular thing is the Culebra Cut.

From the engineering point of view more worthy achievements are being won in the making of "the great ditch."

The Culebra Cut, however, is within the range of the comprehension of the ordinary person. To delve through hills for nine miles; cut a channel with an average depth of 120 feet, with a minimum width of 300 feet; to slice through the continental divide, Gold Hill and Contractors' Hill separating the watersheds toward the Pacific and the Atlantic; remove a clear depth of 375 feet of hill; haul away about 100 million cubic yards of rock and earth—nearly half the total excavations in the Canal construction—have the work constantly checked by thousands of tons of the hill-sides sliding into the Canal, bringing into the Cut streams which had been diverted, and threatening to flood the workers out: there is something dramatic, majestic, and occasionally terrible in it all.

This channel—not straight, but gently serpentin-

ing through the valley of the Rio Obispo to the "divide," and beyond this point through the valley of the Rio Grande to Pedro Miguel, where the first lock descending to the Pacific is placed—will be at the same elevation as Gatun Lake, 85 feet above sea level. It will get water from the same source, mainly the Chagres River. At the north end of the Cut is a temporary dam to keep the accumulating water on the other side from entering.

Water does get into the Cut; rivulets occasionally break into it from the hills, and there are the frequent torrential rains in the fall of the year. A big drain has had to be made along the bottom way, and a pumping engine is constantly belching this drainage over the dam.

I stood on the lip of Contractors' Hill and looked down and along the great black trough. A dull roar constantly sounded. To-day there are seventy-five miles of shaky railway track in the Cut, with engines screeching impatiently—their long "dirt" wagons trailing—waiting to be loaded with debris and to climb with their loads up the slanting terraced ways and carry the stuff long distances and dump it where banks are being made, or down to the swampy shores near Balboa. There, one of these days, will be wharves and piers and sheds to hold merchandise; also a great railway yard.

The monster locomotives look like toys from the

A BEND IN THE CULEBRA CUT, JUNE, 1912.

The steam shovel in the foreground is standing on the final bottom of the Canal, 40 feet above sea level.

elevation. On the Cut sides are clusters of men, busy like ants, white men and coloured men, working in separate gangs. There is the constant screech of the drills. There are the thunderous blasting explosions, reverberating like cannon. Behind brown clouds, billowing half across the Cut, hundreds of tons are dislodged. The steam shovels jerk forward and start loading adjoining cars. To keep pace with the excavations, and alongside them, a mile of track has to be shifted each day.

Every facility was given me to inspect the work. Either in an open coach attached to the front of an engine, or in one of the automobiles, adapted to the rails, which the officials use in hurrying from point to point, I made half a dozen excursions up and down the bed of the Canal, along the shelves where excavating is still in progress, and along the upper edges.

To be down in the Canal, with raw-sided Gold Hill towering above one, to be amid the fury of the ugly, serviceable engines and the deafening clatter of the drills and the multi-thousand toilers, sweating and grimy and mud-smeared and shouting, but all strenuous, provided sensations which it was worth travelling far to experience.

If the Cut had been of solid rock the engineers would not have had to combat with such troubles as "slides." Then they would have drilled and

blasted their way through, and once the passage was cut it would have stood firm. But this region is all volcanic, a confusion of earths and rocks, and rock which is hard when first cut but disintegrated after a short exposure to the atmosphere. It is not only that the sides tumble in, but that the lower stratum often is unable to bear the weight of the ground above and behind; it begins to bulge toward the bottom whilst the bank gradually sinks.

It is not to be forgotten that a considerable section of the Culebra Cut was cleared away by the French during their attempts to make a canal, and that the troubles they had then are still existent. The Americans, however, are optimistic, and talk about the "slides" having exhausted themselves—until another "slide" comes along. They have hopes that once water fills the Cut it will be a kind of buttress, and hinder any more slipping.

Over twenty "slides" have interfered with the work. The Culebra Cut would have been finished by now if it had not been for these disasters. The largest "slide" is the Cucaracha, which began in French times, covers 47 acres, and has broken back nearly 2,000 feet from the Cut. At other places fissures appear in the upper earth; they spread and join until there is one great "slide" threatening to pile into the Cut. The town of Culebra, perched high above the Canal, is in danger.

THE NOTORIOUS CUCARACHA "SLIDE," OCTOBER 23, 1911.

Already houses on breaking ground have had to be abandoned.

Nearly 17,000,000 cubic yards of extra material have had to be removed from the Cut because of "slides." It is recognised that between 3,000,000 and 4,000,000 cubic yards of "slides" are still in motion, and will have to be dealt with besides the ordinary excavation. Only in August, 1912, there was a tremendous break near Empire, and it stretched half across the Cut, burying an enormous quantity of machinery and, what was worse, causing consternation to the engineers by allowing the diverted River Obispo to rush into the Cut and flood part of it. It was a mighty labour getting the river again diverted, and the water pumped out of the Cut, before a start could be made to remove this unwelcome incursion of the canal bank.

These "slides" are enough to break the hearts of men. But the dogged determination of Colonel Goethals and his fellows, sick to silence when they have to face another break, is one of the finest episodes in the whole business.

For two years steam shovels have been working on the top of banks which were likely to "slide"; this with the object of decreasing the pressure. In some places there is a tier of nine terraces—by no means wholly successful in checking the moving of the banks and the upheavals at the bottom of the

Cut; still the engineers are sternly persevering. I have met men who shake their heads over the fate of the Culebra Cut. But the engineers absolutely shut out from thought that there will be any danger after the ground now sliding has been dealt with and the Canal is open to traffic.

Spend a morning in the Cut, in the hot, humid, sickening air of the rainy season in the tropics. Downpours drench you; but that is preferable to the thick, steamy, enervating atmosphere when the sun blazes.

Here is a gang of men, clambered upon rubble of a broken bank, with their drills working into the rock like giant needles on a sewing machine. The drills are all operated by compressed air, of which a long main pipe runs the length of the Cut. The drills drive 24 feet into the rock. With jaunty strides coloured men come along, balancing boxes on their heads—dynamite. A small charge of dynamite is pushed to the bottom of the drill-hole and fired by a magneto battery to make the hole larger. Then from 75 lb. to 200 lb. weight of dynamite is plugged into the hole, and the explosion is brought about by ordinary electric light current. It is like a thunderclap. A torrent of rock and earth is flung forth. Every month, in the Cut alone, 500,000 lb. of dynamite are used.

The steam shovels, cumbrous, ugly, but grim

HAND DRILL GANG BORING HOLES FOR DYNAMITE TO BLAST MOVING FACE OF A "SLIDE" IN THE CULEBRA CUT, FEBRUARY, 1912.

with strength, fascinate one. There are dozens of them at work in the Cut. By lever the huge scuttle is pressed amongst the blasted debris, lifts it, and throws the stuff on a "dirt" train. The monster appears to quiver with restrained energy.

Some of these shovels can lift 5 cubic yards, and that means over eight tons of rock or over six tons of earth. A seventy-ton shovel has shifted 4,823 cubic yards in a day. The shifting in a full working hour is 289 cubic yards. Much more could be shifted; the difficulty is getting the stuff away. Even the thousands of dump cars and the seventy-five miles of railway track are hedged by limitations. As it is, 175 trains haul out of the Cut every day, or a train every two and a half minutes.

Statistics like these indicate the ferociousness with which the excavating goes on. In the veins of the workers is a throbbing joy over big results. Go day by day, and you see little change. Let a month elapse, and then you mark the difference. And there is the Cut—a long black passage through the hills which tells of work done. Why, the record clearance in one day is 127,742 tons, removed on 333 trains.

At the southern end of the Cut you come to the massive Pedro Miguel lock—locally known as the "Peter Magill." All the hot scurrying and clanging and convulsive movements of big machinery, which

distinguished the Gatun locks, are repeated. This is the lock by which vessels moving Pacificwards will be lowered 30⅓ feet to the Miraflores Lake, artificial, a mile and a half long, partly created by water allowed through from the Cut and partly by the capture of small rivers. Then two locks, which will lower the vessel to sea level, and the ocean is met eight miles off at Balboa. As on the Atlantic side, here are tremendous breakwaters. Several little islands are being joined so that the entrance to the Canal is practically a land-locked harbour. The Americans are building fortifications.

From sea to sea small gangs and great gangs of workers are encountered. At the locks there are fifty gangs doing fifty different jobs. Each gang is doing its bit independently of anybody else. Behind the apparent confusion you know there must be a system, and that every piece of work has to be fitted into its place.

Somewhere are brains directing the complicated scheme. You will find them in the chief engineer's office at Culebra. Every night there come in detailed reports of what has been done. Every morning Colonel Goethals and his staff review and arrange as though a siege were in progress. Every detail is attended to. There is a "field hospital"; special trains carry all that is necessary to do repairs on the spot. Every night, under the flame of electric lights,

CULEBRA CUT, LOOKING NORTH FROM CONTRACTORS' HILL AND SHOWING TERRACES LEFT AFTER REMOVING SUPERIMPOSED WEIGHT TO AVOID "SLIDES."

The highest shovel on left is 280 feet above sea level, and that on the right is 65 feet.

gangs of repairers are out attending to machines reported to be defective. At Gorgona is a repair shop where 1,200 men are employed.

In and out, dodging about, you often see automobiles hastening over the jolting railway tracks. The workers call these " brain cars." For by them travel the men who think and decide. They are United States Army engineers. They are khaki-clad men, tall, lithe, bronzed, clear-eyed ; but there is a lot of grey in their hair. They nervously eat the ends of cigars, and chat with you gaily as though cutting a continent in two was not a matter of much moment.

They know, right enough, they are doing a great work, and therefore can afford to be modest. Modesty is not counted an American characteristic. These American Army officers, however, who are supplying the brains, are quiet and dignified, competent and confident.

CHAPTER VI

WAGES AND LIVING

It is an interesting fact that about half the labour employed in the Canal Zone is made up of British subjects. The male population consists of 22,000 subjects of Great Britain; the United States make an indifferent second with 8,000; Panama and Spain run about level with 3,900 and 3,800 respectively; other countries tail off, completing the 45,000 which is the male population.

The British subjects are practically all West Indians, from Jamaica and Barbados. The Americans, when they started to build the Canal, made a point of not bringing any negroes or cheaper class white labour from their own States. The reason given was that they did not want to disturb the home labour market. The chiefs of the Canal, the directors, the superintendents, the clerical and medical staffs, the skilled artisans, everyone in fact above an unskilled labourer, must be American. Now and then I came across a stray Englishman, Scotsman, or Canadian holding an important post. Persistent though quiet pressure is brought to bear

A LANDSLIDE OF 300,000 CUBIC YARDS IN THE CULEBRA CUT, NEAR EMPIRE, AUGUST 21, 1912.

upon them that they become citizens of the United States.

At first it looked as though the importation of coloured British labour from the West Indies was destined to be a failure. The Americans did not get as much work out of the immigrants as they expected; the Jamaicans and Barbadians did not show the same energy as at home. There was a time when it was seriously contemplated to ship the lot of them back and import special labour from Italy and Spain. Then the secret of the slackness of the West Indians was discovered. Their American bosses were treating them contemptuously, as they were used to treat the niggers in their own States. The West Indian has self-respect, is proud of being British, and he sulked under the frank, crude speeches of his white masters. Colonel Goethals, when he realised the source of the trouble, had notices posted all over the works that American foremen who used offensive language toward their gangs would be instantly discharged—and some of them were. There was chaff from the United States about Colonel Goethals trying to run the Zone as though it were a Sunday-school. Anyhow, there is little swearing in the Zone to-day. I know the American workman in the Northern States, and the picturesqueness of his oaths. I never heard any abusive language in the Zone.

The point is that the West Indians, when decently treated, increased their output of work by a third. Indeed, one of the things I noticed amongst the chiefs of the Canal was satisfaction that more work was being done at proportionately less cost than ever before. Whilst much of it is due to improved organisation, they mainly ascribe it to the good feeling existing amongst all classes and all colours of workers. Though there is a good deal of petty larceny within the Zone, chiefly amongst the blacks, there is a remarkable absence of serious crime. All the coloured policemen are British subjects, Jamaicans. Their training as soldiers in Jamaica is of excellent service.

In a former chapter I described how the coloured labourer got a minimum of fivepence an hour, and could purchase cheap meals and be provided with sleeping accommodation, though he preferred to get a few planks, knock together a shack, and live in the "bush." The American white workers—the "gold employees"—have mosquito-proof houses provided free for themselves and families. The higher posts are rather worse paid than they would be in Great Britain if men were engaged in a similar task. Colonel Goethals, upon whose shoulders rests the whole responsibility for the making of the Canal, receives £3,000 a year, absurdly inadequate remuneration for the work he is doing. All his heads of

MEAL-TIME AMONGST THE COLOURED WORKERS.

departments are badly paid by the United States Government, judged by British standards.

When, however, we get to skilled artisans the American employees on the Isthmus are the best paid workmen in the world. Remember they live house free; there is no winter clothing to buy; there are no heavy coal bills so that the house may be kept warm. Good shipyard artisans, machinists, iron-workers, earn from 2s. to 3s. an hour. Boiler-makers get from 2s. 8d. to 1s. 10d. an hour, according as they are graded. Carpenters are paid 2s. 8d. an hour. Men who work the steam shovels—on duty eight hours but actual work about six hours a day—receive £37 a month. All first-class skilled artisans get from £30 to £35 a month. Plasterers and plumbers get 2s. 8d. an hour. And so on.

The contrasts in some of the remunerations are striking. For instance, a physician gets only £30 a month to begin, and for that he has to provide subsistence. A cook, however, gets £25, including subsistence. Policemen and school-teachers are paid about the same. What is curious is that a doctor, who must have had at least one year of hospital experience, and can only be appointed subject to Civil Service examination, gets exactly the same pay as a veterinary surgeon, £30 a month.

It is natural that the reader at home, noting the high wages paid to the artisan, should remark

"Yes, but what is the cost of living?" It is much cheaper than in the States. As I have explained, the 60,000 people in the Zone are fed like an army in the field two thousand miles from the base of supply, with the difference that the soldiers of labour have to purchase what they require. The "Commissary" Department, with head-quarters at Cristobel, adjoining Colon, is a fine organisation. One of the most instructive mornings I had was visiting the stores, inspecting the cold storage section, and watching the handling of food for a population stretched along a forty-mile line of country.

The "Commissary" Department does business with wholesale firms, eliminates the middleman and, allowing for management expenses, sells at practically cost price. In perishable goods there is an occasional fluctuation, but every week an official price list is issued. The latest issued lies before me. Stewing beef or mutton can be got at 3d. a lb. You can buy shoulder of mutton at 4½d. a lb., steak at 6¼d. a lb., and sirloin at 9½d. a lb. Chickens cost about 4s. 6d. each, and breakfast bacon is 1s. a lb. Eggs are 1s. 1½d. a dozen, and fresh salmon and halibut are 8d. and 5d. a lb. Why, you can get a quarter-pound jar of Russian caviare for 3s. 9d. If, however, your taste runs to pigs' feet, you can obtain them at 4½d. a lb. Ducks are 2s. the pair; butter varies from 1s. 7d. to 1s. 11d. a lb., and ice cream

—they make 350 gallons of it a day at Cristobel—is 1s. 0½d. a quart. Vegetables and fruits are cheap; potatoes, turnips, cabbages are 1½d. or 2d. a lb. Apples are 5d. a lb., but Jamaica oranges are 6d. the dozen, pineapples 6d. each, and peaches 4d. a lb.

Food is, therefore, cheaper than in the States. Making allowance for rent and other advantages, and recognising the increased pay, the American workman in the Zone, if passably careful, can easily save half his wages.

After all, good wages, cheap food, free houses, free doctoring, improved sanitation, are not everything. The temporary towns on the Canal route are just camps. There are none of the excitements of town life. Most of the folk round about are coloured. There are no theatres.

The men look healthy enough, but it is impossible to miss noticing how pale the women are. There is plenty of cheerfulness; but behind the smiling faces one soon learns there is sad weariness, the gnawing consequence of living in this humid, enervating, jungle-girthed region.

To help to make things easy the Government has established fine club-houses in the settlements, with plenty of newspapers, games and teetotal drinks. The Y.M.C.A. manage these club-houses, which are "open house" to any white person who

cares to enter. Also the Government maintains a brass band. It would not take a prize at a brass band contest, but when it plays on Sundays at one or other of the towns it provides a lot of pleasure. There are clubs innumerable. The women folk have lots of societies. Of this side of the life I will deal later on.

Trade union leaders have attempted to start organisations, and once or twice the ripple of industrial trouble has disturbed the waters. When a strike has been threatened Colonel Goethals has broken it with the order "All men who fail to come to work because they are dissatisfied will be provided with free transportation to the United States." The pay is too good and the management too excellent for the agitator to sow discontent.

There is no Saturday afternoon half-holiday. The Sabbath is the one day when the scream of the drills and the thunder of blasting are not heard. In the afternoon baseball matches are played—and the American is as mad over baseball as the Briton is over football. Several religious societies raised loud protests against the countenancing of games on the Sunday. But they were overruled. As the Canal workings are fenced in by jungle, there is little scope for walking, and it is thought better to let the workmen have the distraction of a stirring game than sitting round criticising their bosses.

SLEEPING QUARTERS FOR THE LABOURERS.

Each Sunday morning, at Culebra, Colonel Goethals holds a court. It is not a court for investigating crime, but for the chief of the Canal to investigate complaints. Anybody who has a grievance, white man, black man, yellow man, nondescript, is free to see Colonel Goethals, and tell of his trouble.

As, frequently, more than one family live in a mosquito-proof house, there occasionally flame disputes as to rights. Colonel Goethals acts Solomon to the disputants. Personal quarrels are often referred to the arbitration of Colonel Goethals. He sits in his office on blazing Sunday mornings, and round about hang those who seek his advice or decision. He is the quietest mannered of big men; he produces confidence and his judgment is accepted. This friendly Sunday morning court in the tropics, to which men go voluntarily for the settlement of their differences, contributes much to the efficiency of work during the other six days of the week.

CHAPTER VII

COLON-CUM-CRISTOBEL

Colon belongs to the Panamanians, but Cristobel is within the Canal Zone. They make one town, and when you have passed from one to the other you do not know it unless you are told. Colon has been since early days; Cristobel is a kind of annex, but will become the more important of the two.

The land is but a straggling stretch of sea-tossed sand, and at the back are dark salt marshes, which under the tropical heat fume and steam. The climate is humid and you are in a constant state of perspiring enervation. Malaria is everywhere. Colon used to be known as "the white man's grave." More whites have gone to their death on that fetid, reeking coast than the Gold Coast of Africa can cruelly boast.

It is an odd mixture of a repulsively fascinating town. It is partly American, partly Spanish, partly negro, partly rapscallion drawn from the ends of the earth. It is built on the American plan—long dusty streets, mostly single-story houses made of planks and tin-roofed. The sidewalks are of planks,

and in the main, single-sided street of shops is a balcony which does something to provide shade.

The place swelters. The shops, which are mostly shadowy inside, and where the prices are high, are kept by many races, from French to Japanese, from Chinese to Spanish. Americans on a round trip on one of the United Fruit Company's boats, and who drop off for a day, buy faked Eastern curios from Hindus—brothers of the gentlemen we encounter at Port Said and Colombo.

The places which are in the undisputed possession of free-born Americans are the saloons. The entrance is as gaudy as a barber's pole. Very likely you will hear the rusty throat of a gramophone screeching a Sousa march. Inside you find a barn-like hall with atrocious landscapes and figures on the walls. Along one side is the bar, and the barman is neat, spruce, white jacketed. His background is whisky-laden shelves, with advertisements of famous Scotch products which you will never hear of if you search Scotland from Gretna Green to John o'Groat's. At the tables sit groups of healthy, perspiring, youngish Americans, with their coats off, with waistcoats non-existent, and shirts which in decoration make you blink. Their bashed-in soft felt hats are stuck at the back of their heads. Their sleeves are tucked up, and they chew cigars, and they play cards and they throw dice to decide who shall pay

for the drinks. They are drummers (commercial travellers) and adventurers and men who are looking out for any job going—a polyglot crowd, but strong-chinned and clear-skinned, and they treat life as a joke.

In the streets you meet folk from fair Saxon to black Ethiopian. Between these are people who are tawny, and meerschaum brown, and chocolate and lemon faced, telling the story of much mixed breeding. There are Spaniards with a cross of Indian blood, and half breeds who had an American as father and a negress as mother. Among these tinted folk there is a slithering gait and weariness of eye, indicating that the world has not treated them generously. The men slouch, but the white-frocked women—they all wear white—have a kind of sad refinement about them. All day it is terrifically hot, and distant objects are seen through a shimmering haze.

Ships are lying by the wharves ; huge ugly sheds receive and disgorge wares. Hanging round the wharves are noisy, persistent, ragged and barefooted, dun-fleshed porters. They fight you to get your baggage, and then they proceed to fight each other as to who shall carry it. They are explosive and good natured. Beyond the wharves are buggies, drawn by the quaintest caricatures of ponies, and driven by Jamaica boys. I had a Jamaica "boy" of

THE FRONT STREET IN COLON.

Photograph by Underwood & Underwood, High Holborn, W.C.

about forty years of age. He was always rather drunk, but merry and a songster, though the lyrics he warbled whilst lolling back in his seat, and interspersed with comments on the moral character of the pony's mother, were not the sort of thing we have in the drawing-room on a Sunday evening. He was very proud of being a Jamaica boy, for that meant he was different from other niggers. He was a British subject, and I was a British subject —he was sure I was an important person in London, which he assumed was a bigger place than Colon or even Panama—and he told me all about his family life, which was sad and alcoholic.

There were the ever-crashing waves resounding in one's ears. A wind was blowing, and the rows of tall palm trees all bowed together as though they had been trained to do it. Wire-covered bungalows were shipping offices, and the weak coffee-faced clerks, white-ducked, seemed to spend most of their time in smoking cigarettes and drinking iced water.

There is a railway track which had probably been laid down before the town was; so the town had to accommodate itself to the track. There is a railway station, the most solid railway station in the world. It must have been built for all time. It is not very large, but the stone blocks of which it is made are great, and, given a fair

chance, will probably be standing when the Pyramids have crumbled to dust.

Being a democratic country, there is a sharp distinction drawn between where the white and the coloured people sit in the station. You will find the same you-mustn't-contaminate-each-other arrangement in the seating accommodation at Gatun and Panama. In the old back-number countries of Europe there is no such caste distinction; that is because we are not so democratic as America, no doubt. The railway tracks spread like a tangled piece of twine, and clanging bells tell you to get out of the way if you do not want to be run over. I met a dusky coon sitting on a wagon in the middle of a street, and singing "Everybody's doin' it, doin' it."

In Cristobel are gaunt, red-brick, iron-balconied residences for the coloured workers on the line and their families. The women were in gay chintzes, and they were all fat, and there were many "sans-culottish" children. They did not bother about wire netting to keep out the mosquitoes. The rooms would not take many prizes for cleanliness; but how happy everybody was! There were lodgings for coloured people, with nice names attached to the houses, just like they are in suburban London. There was one lodging-house called "Buckingham Palace."

An interesting place is the "Commissary," which is easier and shorter than Commissariat Department. It is the real up-to-date example of providing food for over 50,000 people two thousand miles away from the base of supply. A monument should be erected to the man who invented cold storage. It has made life possible in the tropics, and has brought fortune to beef, mutton, and butter countries, which otherwise would have been only semi-prosperous. I went out of the torrid, panting, eye-aching sunshine into the "Commissary," stuffed with good things from the States. I had consciousness of the marrow within my bones freezing. It was the place of the chill dead, thousands of carcases of bullocks and sheep, very still, very silent, and the refrigerator pipes encrusted with ice—and, twenty yards away, outside, the thermometer was near bubbling point. The flesh was as hard as wood. In other long chambers were butter and eggs, and vegetables and fruit and fowls. All these are brought from the States; the supply is regulated. As I have stated, a train starts every morning, and each camp on the way to Panama gets its share. I went to the big stores in Cristobel—a sort of Army and Navy Stores for variety. Of course there was a door for "gold employees" and another for "silver employees," and there were counters where only "gold employees" were served, and others where only "silver employees"

were served. The prices were the same, but this was the subtle plan to carry out the great democratic principle that white and coloured folk should not rub shoulders.

As a piece of elaborate, but smooth working, organisation machinery the "Commissary," feeding the multitude in the Isthmus, is one of the best things to be seen anywhere. There is never any scarcity. There is no running up of prices because Panama is so far from New York. The goods are bought in bulk; there is no middleman's profit to be made; deducting expenses, the retail price is about the same as cost price. Not only is food cheaper than in the United States, but it is cheaper than in England.

Also, there is a great "Commissary" laundry. You put your soiled linen into a bag at Panama and it is sent over to Cristobel to be washed by the latest hygienic methods, and you can be sure that it runs no risk of picking up disease, which it might do if handed over to a native washerwoman. Perhaps I was unfortunate, but my personal experience was that I have never known washing done quite so badly. And the spiked metal tags attached to every garment, for identification purposes, were the cause of innumerable rents.

The great hospital is at Ancon. But there is a hospital, screen-encased, erected on the sea-front

at Colon, where the fever-stricken and maimed are cared for—a haven of airy quiet rest to the sick and wounded. Cool grass and flowers bring gladness to the heart. There is a little church, which at first glance looks as though it was an old edifice lifted out of an English village. But its time-worn appearance is a triumph of imitative art. The residences of the " gold employees " are all elevated bungalows, the whole place completely screened, and on the stoep behind the screen some American woman, loosely clad, is usually to be seen in the heat of the day reclining in a rocking chair. The heat is too energy-sapping when the sun is up to do anything but lounge about.

I don't know a worse place than Colon, though I have been in warmer spots—Aden, for instance. It is just a piece of sand-covered coral about a mile long and less than half a mile wide; but the railroad company has made an embankment through the swamps at the back to join it with the mainland.

Cristobel is not so bad. The houses are prettier; there is more foliage; there is a statue of Columbus —reminiscences of the days when the French tried to make the dreary place more attractive. Most of the land is held by the railroad company—that is, by the United States—and though it is Panamanian territory the Panamanians have nothing to do with it.

At sundown coolness comes. Then the Americans who have kept within the shade most of the day come forth. It is the hour of promenade, and the people, a little pale-faced and washed out, take a stroll. There are lots of young fellows and their young wives making a start in the big adventure in this blighted spot, because the pay in Government service is comparatively good and living is comparatively cheap. They are courageous, and in the heyday of life; but their gaiety is just a little forced.

I have read in many American publications that so successful is the United States administration, so splendidly has malaria been wiped off the map, that the Isthmus is now one of the healthiest places in the world; statistics are given to show that the death rate in Colon is lower than in Chicago. All perfectly true; but the comparison is ingenuous. Only it is to be remembered that in the Isthmus you have picked lives; none but the strong and healthy go there. If you picked your men you could prove the most fever-soaked swamp in the world was the healthiest spot on earth.

Then there is a constant ebb and flow of people. The American, with all his dash and skill and adaptiveness, is not, as a rule, made of the sort of stuff for quiet doggedness under difficulty. In the first year of the American occupation, before Colonel

THE STATUE TO COLUMBUS AT CRISTOBEL.

From photograph by Underwood & Underwood, High Holborn, W.C.

Gorgas did his great work in sanitation, most Americans suffered from what they themselves call "cold feet"—that is, they became shy of the monotonous life, and 90 per cent. of them cleared out. During the last year or two, improved though the conditions are, the life is still hard and lonely—it is a big change to come from a bright American city to an Isthmian camp, with little social life and the jungle all around—and 50 per cent. of the Americans have cleared out each year. Others come in, but the ebb is constant. Many go because of "cold feet," but I must say that many others return to the United States because they have made a little pile. I recall a high-placed official telling me that amongst the hundreds of young fellows the time of their departure was generally when they had saved £400. That was a good sum to have put by in two or three years, and they could not hold out any longer, but must return home to have "a good time."

There is a hotel at Colon—"The Washington," of course. It is the usual timber erection, with the usual long veranda, and the usual tinted waiters, and with a big, grey-haired, rosy-faced manager who always looks like Colonel Goethals will look when the first boat glides through the Canal. The hotel used to be in private hands; then it was bought by the Panama Railroad; then

the United States bought the Panama Railroad, which bought the hotel which feeds the human flotsam cast up on these shores. So the United States is also hotel proprietor. But this comfortable little shack of a place will be of little use in the future. So another hotel is being constructed—still "The Washington." It is getting on. Seen through the palms on an exquisite moon-bathed night the growing hotel looks like a ruin on the banks of the Nile. It is intended to be a fine hotel. I was told it will be the finest hotel in the American continent; but I've been told that about so many hotels in America. Americans do things well in the matter of hotels when they set about it, and the luxuries in apartments and baths and verandas and gardens by the sea will be astonishing. I think it is to accommodate 1,200 people.

"Now, what on earth do you want a hotel like that for, in a place like this?" I ventured one night, when I was with a party of Americans on the stoop of the old "Washington," and we all had our feet upon the rail, and were all puffing Jamaica cigars, and all comfortable after dinner—supper they call it out there—and we were revelling in the hush and the cool of that beautiful moonlight.

It was just the question which showed my friends how Britishers are lacking in foresight, in imagination. What was such a big hotel for? Why to put

people in. For when the Canal was open there would be a rush. The seas would be torn with vessels bringing holiday-seekers here in the dry and pleasant winter months. Americans would no longer go to played out old countries like Egypt for the winter. They would come to Colon. Colon would reduce Cairo to the level of a side show.

The dull Britisher was able to appreciate that during the first few years thousands of good Americans would desire to see the Canal, the jewel in their crown of achievement, and in the season the new "Washington" would be packed to the garret. But after the novelty had worn off, what then?

Oh, then Colon would have become established as a health resort, and folk would come for itself; and, besides, with the tremendous string of steamships bumping each other through the Canal, people would get off, see the sights of Colon, race across the Isthmus by train, and pick up the boat at Panama.

The man from England thought not. It was his idea that people would like to journey through the Canal and would miss it by journeying across the Isthmus by so commonplace a means as a train; they would enjoy the experience of being hoisted up in locks and lowered in other locks. If they had any time to spare they would spend it at Panama and get a peep of Spanish life. He was entirely wrong. Four good men of Colon told him so.

Americans were too sensible to want to poke about a dirty, smelly town of dagos like Panama, where they ran the chance of catching heaven knows what disease; they could see all that was necessary of the Canal from a railway carriage window, and, anyway, it could be arranged for them to have a ten minutes' stop off at Gatun so that they might obtain a thorough grasp of the complex working of the locks and inspect the giant dam and the amazing spillway and the gigantic electric power station. No, sir—ee; Colon would be the place; Colon with its hotel, the pride of the tropics, its sands, its constantly tumbling surf, its palm trees, its cool evenings, its delicious moonlight.

The visitor smoked his cigar and thought of other places on the world's surface which happened to possess most of these attractions, and with some other things thrown in. But he did not mention them. That would have looked like making an effort to depreciate Colon, and the hearts of the four good Americans were just full of Colon.

CHAPTER VIII

SCENES ALONG THE ROUTE

I HAVE forgotten how many times I see-sawed between Colon and Panama. But I do remember the different sensations which laid hold of me on my first trip and on my last trip.

Somehow the first journey left the impression of keen disappointment. I had imagined to see so much and the reality was not impressive. But the evening of my final jaunt from Panama to Colon brought real appreciation into my heart. In the drooping afternoon, the swift twilight and dark hours I rattled through country which I had studied in detail. I understood how the face of the earth had been altered; I saw the never-ending dirt trains jogging over the crazy temporary lines; I saw the white walls of the locks, heard the cry of machinery; I saw the flaming fires at night, and the dark figures of the workers. There was the twinkle of lights in the camps; there was the run alongside a deep cut which made eyes to close tight in sudden dread that a lurch would send us over the side; there was the long run through

the black jungle with millions of glow-flies scintillating.

There was the coming into the railway car and the going out at every wayside station of the men who were doing the big job, living so much with it that they were inclined to forget its bigness, but talking about a multitude of things—baseball, the comic pictures in an American journal—and a considerable number of the younger fellows busy with the national pastime of chewing gum.

I was glad I had come to the Isthmus when the work was in full swing, and not when most of the workers had laid down their tools and gone back to the United States, and the finished Canal had become like a series of silver lakes and gently winding rivers.

It was on a Sunday afternoon I made the first trip. Colon had been a gasping experience. But that was nothing to the three-quarters of an hour fight in the baggage-room getting my luggage "checked" through to Panama. The checking-of-baggage system, American plan, is all right when it works well; and the stay-at-home Briton is only told about it when it works well. When it works wrong its wrongness is American in its magnificence. There are no porters. You hire a coloured gentleman to do the work for you. But what is he, endeavouring to manœuvre three sturdy English big leather trunks

and two minor ditto through a herd of two hundred other coloured people who are carrying their own baggage, all their belongings, and also want to get it "checked"? In England an official would have arranged a queue and everybody would have taken his turn. Under the American plan you fight.

One gum-chewing American saw to the weighing, and another, in return for cash, gave out checks which were fastened to the goods, and you kept the counterpart so a rightful claim could be made when you reached your destination.

Pushing, tugging, being compelled to be rude when I really had no intention, I got my stuff forward, and the weighman, who did not care whether I caught my train or missed it, wanted to know what the hurry was, and the other chewing gentleman said "Two dollars," and when I asked him if he meant Panamanian or United States dollars, just replied "Two dollars." I could tell by the withering look he gave me that he knew I had been reared in some rural area. By handing him a five-dollar United States bill I discovered it was two dollars in American money. He did not say "Thank you," and I instantly fell in with the custom of the country, and did not do so either. As I was pocketing the counterfoils and perspiring thankfulness, I murmured to the weighman: "I suppose I'll get my things all right at Panama?" "Sure," said he. But when I

got to Panama, some three hours later, it was still Sunday. And although I could have got a coloured man to carry my things, I would first have to get them out of the custody of the railroad. And the white gentlemen were not working that Sunday night, and neither I nor the President of the United States could get at the checked baggage till Monday morning. I don't know whether that was quite true; anyway I didn't. We do things differently in England.

There was a second class by which coloured people travelled and a first class by which white people travelled, and an observation car with reserved seats by which superior people, like myself, travelled —it all depended on the price paid. Everybody seemed to be in terror of the conductor, a hatchet-faced individual, in a blue and metal cap, who went through the cars as though he were looking for a mongrel dog that was travelling without a ticket. So that it would not be necessary to search for the little bit of pasteboard constantly and have it punched at every other station, English style, the wild-eyed dog hunter went through the car and snatched the tickets out of our hands and then stuck different coloured paper tags in our hats. It made some of us quite gay and festive and improved our appearance. So in his rush he knew whether we had the right to go to Panama or only to Gorgona.

When the train left a station he scoured the coaches looking for hats without tags, and whenever he found one he just stood and stared at the poor passenger. He was not paid to request "Tickets, please!" If the passenger fumbled or tried two pockets, the dog chaser remarked, sarcastic-like, "Your memory getting a bit slack, eh?" He swopped a ticket for a tag. Then, before the train got to a station you might have thought he had got on the track of that wretched dog at last, for he went along, hurricane fashion, snatching at the tags which indicated the wearers should go to that station and no farther. When a hat was knocked off there was no regret, but a snappy wonder what was wrong with the head. He interested me. Once he caught me smiling, and carefully examining the tag:

"Anything wrong?" he asked, and I knew there was acid on his tongue.

"I'm looking for your autograph."

"My what?"

"Your signature," said I. "I collect the signatures of remarkable men."

Close to Cristobel is Monkey Hill, where there are no monkeys but an extensive cemetery. Whatever may be the lot of a coloured worker when alive, there is no question about the gorgeousness of his funeral when he dies. No doubt there are sorrowing

hearts, but the trappings of woe suggest a fête. The hearse and coffin are of wedding-cake decoration, and the horse is caparisoned, and the mourners put on their best clothes, which are bright.

Then there is the black swamp which lies between the reef of Colon and the mainland, and weird vegetation is rampant. A track is now made through it. When the railroad was being built it was like a bottomless pit. The bog gobbled everything thrown in, and was hungry for more. Bottom was plumbed for, and it was touched at some two hundred feet below the surface. Extraordinary figures are given of the tons of rock which had to be pitched into the swamp for months, for years, before anything like a foundation could be made. Now there is a railway track. But you must not hazard your spare cash that it will be there in the morning. A year or two ago about a hundred and fifty feet of track, with a number of wagons on it, began to sink, and the whole thing sank right out of sight.

Into the jungle you plunge. The colouring is vivid. The air stinks of kerosene, and in the gutterways by the railroad side are black, shiny, smudged patches where the kerosene-sprinkler has been to limit the travels of the mosquito. On elevations in the " bush " are stray, rough built huts of the negro workers. The nigger prefers this home-made shanty

IN THE JUNGLE.

of old boards, no windows—except in the towns a window with glass is a rarity in the Isthmus—no bath, no sanitary accommodation, to any mosquito-proof structure that can be put up by the United States Government. It is primitive and somewhat barbaric, and you are right in being surprised that the fat negro wife and the flock of half-clad negro children are not soon slacking to sickness. The fare is coarse. Sometimes a mile separates them from their neighbour. Their outlook is from a jungle hut to other jungle on the farther side of the single-track railroad. They have no newspapers; they are not concerned with what happens in the outer world. The horizon is limited but satisfying, for Jake, the father, earns good money, and sometimes brings things from Colon, and there is plenty to eat. Ambitions do not soar much beyond that.

A thin path wanders from the railway into the dark jungle, and at the end of it, completely hidden and in constant shadow, is often to be found a bamboo hut. The place is damp; the air heavy and obnoxious; evil seems to hang round the place. The nigger sits on the stump of a felled tree, and he watches his missis cooking and his children playing with coco-nuts. He likes this jungle life, though he could not tell you why—indeed, as I have already mentioned, the " bush " is full of attraction for the niggers, and the administration has ceased

trying to get them to live elsewhere. It is the call of the wild, atavism, harking back to the ways of their ancestors when they lived in the mangrove swamps of Nigeria.

In the towns which dot the way are negro settlements a little apart from the neat American bungalows which dot the hillsides of the clearings. There are always smiling faces, and the strum of a banjo, and children, children innumerable. Some of these settlements appear to have slid down into the area of the Canal. Nothing is said against their doing so; the Americans get along in a very friendly spirit with the Barbadians so long as there is no attempt to boss them too much. But when the water begins to be let in those settlements must move.

All over the region of the Gatun Lake, the dammed Chagres River, spreading to an area of 160 miles, had been Spanish settlers, scraping an indifferent existence out of the jungle. They could not speak English, and they were suspicious of the designs of the American invaders who had made a deal with the Government at Panama, but about which the jungle dwellers know little. The Americans invited the jungle dwellers to shift more into the hills. Many of them refused. The Americans saw that talk was useless; but when the Gatun dam was finished, and the Chagres was stayed, and the waters began to

spread up the valleys and over the land, the natives had to pack their traps and go.

The native villages are small and straggling. Some of them have disappeared beneath the rising flood. But I liked the names along the way, which were given long ago by folk who came from the old world: Carmen Messias, Aborea Lagarto, Santana, Bohio Soldado, Corozal, La Boca, Paraiso, and so on. I had some pleasant times at Culebra, though a good deal of it has tumbled into the Cut. Colonel Goethals lives there, and many of the chief workers on the Canal, and, because it is high and there is always a breeze blowing, it is to be the head-quarters of the United States military force to defend the Canal.

When a slice of hill has been cut it is possible to understand the volcanic formation of the land. Every schoolboy knows that from Alaska to Patagonia runs a rocky range called "the backbone of the American continent." That backbone weakens in the Isthmus. No snow-swathed Rockies, or Andes, or Cordilleras, dominate the Isthmus. I doubt if in the whole of the Isthmus you will find a hill as high as 1,500 feet above sea level; some you can find as high as 500 feet; but the Canal passes no spot where it is higher than 300 feet—not more than a good golf bunker.

At the narrowest neck of the continent the

elevation is the lowest, a direct invitation to man that he should cut the neck. Some learned people will explain that originally the sea did run between the two Americas—that was the origin of the stories the Spaniards heard when first they landed on these shores—and that the passage was filled up by a volcanic disturbance. Anyway, the neck is not of rock; it is mostly of volcanic ashes. The "continental divide" is at Obispo, and you have to make your imagination skip to understand that from that mound the watershed is divided Atlanticwards or Pacificwards.

In some of the shop windows in Panama I saw on sale little crystals from the Culebra Cut made into scarf pins, cuff links, and pendants. This sent me on an amateur geological expedition. The earth's crust has had rough roasting and twisting in these parts. The region is a sort of volcanic refuse heap; everything is jumbled, and the fact that there are no regular strata and the top soil is often heavier than the under has considerably increased the difficulty of excavation. There is bedrock, but it is below the line of the Canal, though a tongue of it sticks out on the Pacific side, and Panama City is built upon it. Much of the cutting is through red clay and green marl and rock that is as hard as granite, but which absorbs water, and then you can crumble it 'twixt finger and thumb. There

HEATED VOLCANIC ROCK IN THE CULEBRA CUT, FEBRUARY 16, 1912.

are lots of quartz crystal; but it is as easily broken as chalk, and water makes it brittle. This strange geological formation has bamboozled the engineers many a time. Of course Job's comforter, who occasionally has a look at the Canal, says, "Very wonderful; but it will all be shaken to pieces at the slightest earthquake." Well, considering the Isthmus is in the line of earthquakes there is always the possibility. Faint tremors have been known, but there is no record of a severe shock. The fact that in one of the ruined churches in Panama is a flat arch—or was, for I believe arrangements were made for its destruction—which could not have stood a shake, is accepted as proof that Panama is immune from danger.

The country has many rivers, some of them navigable for some distance, but little use is made of them, and their banks are heavily wooded and the villages are far apart. The Republic is close to the Equator, between two great seas, and moisture loads the air though the climate is strangely even. According to the thermometer, the heat has never been up to 100° Fahrenheit, but so great is the humidity that it seems much more and soon exhausts one's energy.

A remarkable feature which soon attracted my attention were the lighthouses, built in the jungle and on the hillsides which will abut Gatun Lake

when it is filled. The journey across the lake will be rather zig-zag, and the course at night will be steered in accordance with the position of the lights. A double row of automatic acetylene lighted buoys will be placed along the route, besides the powerful rapid flashing range lights. Where the Canal narrows, as through the Culebra Cut, beacons will flame. Acetylene instead of oil has been chosen because of its superiority; burned in a self-luminous burner acetylene gives an intensely concentrated white light, and is five times as strong as the light which could be obtained from oil. Mr. James Pattison, who has been paying particular attention to the flashing range lights, says: "An entirely new principle in flashes permits the production of as many as 55,000 separate and distinct flashes from one cubic foot of acetylene. Older types of apparatus could not produce more than 1,400 flashes from the same quantity of gas. The new flasher may be adjusted to give light periods of any desired length of time down to one-tenth of a second or less, alternating with dark intervals of any desired length. Single, double, or triple flashes, etc., can be produced with ease; in fact, any light character obtainable in lighthouses equipped with the most modern lens arrangements can be produced by the new flasher.

"The principle of the flashing light as a valuable navigation signal has been taken advantage of in

BUILDING A LIGHTHOUSE ON THE EDGE OF THE JUNGLE.

the highest degree by designing the new flasher to consume the least possible amount of gas per flash, and to make the dark intervals when no gas is being consumed as long as is consistent with efficiency. It is naturally of the utmost importance for the safety of navigation that the ratio between light and eclipse, after having once been fixed, must not vary in the slightest degree.

"Nearly all lighthouse authorities agree that flashes of short duration followed by relatively short dark periods are much more distinctive and efficient than long flashes, and this view is borne out by the fact that of the thousand or more dissolved acetylene lights in operation throughout the world the majority are adjusted for short flashes. Of the light characters adopted by the army engineers for the lights on the Panama Canal the flashes do not in any instance exceed two seconds' duration, and the majority will be set to three of a second. The new flasher, although designed especially to suit short flashes, may easily be adjusted to give flashes of any desired length."

Colonel Goethals has avoided his military uniform ever since he set foot in Colon. But I know I am right in saying that the remarkable progress which has been made during the last few years is due to the fact that the work has been in the hands of Army men, who have maintained a discipline which

would not have been accepted from others. And this discipline, which has abolished friction, plus organisation, has worked wonders.

The name of Goethals is one to conjure with in the Isthmus. Yet it cannot be said that the man himself is well known. I ran across him in the long, open-coached train one day, quietly smoking a cigarette and reading a newspaper, and I doubt if one of the fifty people in the coach knew who he was. Some diverted stream up-country had broken bounds and was interfering with the cutting, and he was on his way to make that stream go the way he wanted.

The Administration Building is on the topmost height of Culebra—the usual big, tin-roofed, ugly, useful place. It was there I went to school, as it were, and with big scale maps, and embossed elevator plans, and models of the locks, I learnt a good deal before I started to inspect the real thing. The building is divided into offices, and everything and everybody is indexed. If there is some matter about Jonathan Slocum, everything about J. S. can be obtained in two minutes—how old he is, where he was born, what is the colour of his eyes, where he was vaccinated, what his work is, the number of his engine, how much he earns.

Nothing is easier than to get to the "boss" if he is in his office. He sees most comers, but he

does not say much, and the visitor soon begins to feel that Colonel Goethals may have something to do besides listening to gush about the Canal. I got easy admittance to him, for I carried a personal letter of introduction from the late Mr. Whitelaw Reid, the United States Ambassador to Great Britain. But he is not easy to catch. Most days he is out on the line by six o'clock, for he likes to keep his eye on everything done. He is back at Culebra by noon, has his bath, a shave, lunch, and then the afternoon is devoted to office work. At night he goes back again, when everybody else has gone home, and he thinks out and works out things that are causing perplexity. He is back at his house by ten o'clock, and in ten minutes he is in bed and asleep.

I found the Colonel was willing to talk about most things except himself. He talked willingly enough about the larger aspect of the Canal when he understood I was not interviewing him but seeking information to verify or qualify my own. He has got an ear for any complaint. I have alluded to his famous Sunday morning courts, when he adjudicates on any personal difference which may arise. Always quiet, calm, autocratic but fair, he has the esteem of all the thousands of men under him. Here is some verse which is sung at smoking concerts, and which explains how he is regarded.

TELL THE COLONEL

If you have any cause to kick, or feel disposed to howl,
If things ain't running just to suit, and there's a chance to growl,
If you have any axe to grind or graft to shuffle through,
Just put it up to Colonel G. like all the others do.

See Colonel Goethals, tell Colonel Goethals,
It's the only right and proper thing to do.
Just write a letter, or, even better,
Arrange a little Sunday interview.

Casey is an engineer and treated awful bad,
Eight minutes' overtime they worked the poor defenceless lad,
So Casey sees the Colonel, with tears in his eyes, and says :
" I cannot stand for this no more without lay-over days."

" Dear Sir, the commissary here," writes Mrs. Percy Jones,
" Is charging me for porterhouse which ain't no more than bones,
And, I assure you, Colonel, that the pork chops what they sell
Is rotten. I enclose herewith a sample, just to smell."

Mrs. Hobbs and Mrs. Dobbs are neighbours in a flat,
And Mrs. Hobbs calls Mrs. Dobbs a dirty this and that.
Then Mrs. Dobbs reciprocates, and maybe both are right,
But in the end the Colonel has to arbitrate the fight.

Don't hesitate to state your case, the boss will hear you through,
It's true he's sometimes busy, and has other things to do,
But come on Sunday morning, and line up with the rest,
You'll maybe feel some better with the grievance off your chest.

See Colonel Goethals, tell Colonel Goethals,
It's the only right and proper thing to do.
Just write a letter, or, even better,
Arrange a little Sunday interview.

A point I wish to emphasise is the sobriety of the workers. I did see some drunkenness when I was in the Isthmus; but I never saw any man engaged on the Canal affected by liquor. What has been done would delight the heart of the abolitionist. The American working man was never much of a drinker, but in his spare time he likes to hang round a saloon. At first anybody could start a saloon by paying a small sum for a licence. That meant there were more saloons than requirements called for, and it was a struggle for existence. Since the United States has been master in the Zone saloons are permitted in certain places only, generally requiring a special journey if you want to visit one, and the licence, though not high, is high enough to keep the number severely limited or they would not pay. I know there was a good deal of grumbling at first at difficulties being put in the way of the workers getting the refreshment they wanted. But as they could not get it they soon reached the state of not wanting it. Besides, the tropics is not a good place for the consumption of much alcohol, and the men have found out they can do very well without it, except to have a little at home or when

they are on holiday bent. The result is that I doubt if you will anywhere find a more sober lot of workers than the thirty odd thousand men engaged in making the Canal.

Another thing about the white workers is that comparatively few of them come from the hustling parts of the United States. When first I kept meeting men who had the soft voice and easy manners of the South, I thought it was pure accident which had landed me amongst folk from Alabama and Georgia. But subsequently I found that the majority were Southern born. I wondered why there was not a more representative crowd from the Northern States, and nobody could give me an explanation. So it was necessary to fall back on theory. The news of the evil climate of the Isthmus had been well circulated—and when a New York journal sets out to show the climate is not of the best it makes your flesh creep, and you are convinced you have only to set foot in the land to die before the set of the sun. As things were pretty bad at the start the idea is in the minds of the Northerners, emotional and mercurial, despite their hard-headedness, that, notwithstanding the "newspaper talk" in recent years that "Panama is one of the healthiest places in the world," things are still a bit risky, and, apart from the advantages in pay, "a bird in the hand is the noblest work of God," as

the Texas Congressman put it. So they stay at home.

Men of the South, however, have got better experience of tropical climes, and they know a good deal about malaria, and New Orleans is nearer to Colon than is New York. So they have not been frightened off.

Further inquiry revealed that, whilst amongst the artisans were a fair number of Northerners, the majority of professional men were Southerners. Further, as I have shown in a preceding chapter, the rate of pay for a good doctor is about the same as for a good engine-man. For various reasons—chiefly because he has to devote many years to expensive study, with practically no remuneration at all—the professional man ought to be better paid than the artisan. And the reason this is not so in the Zone, strange though it may appear, is because he is better educated. Being better educated, he knows before he goes out to Panama the true position of affairs, and he does not imagine that his first duty will be to die. Further, an opening is given to him to have experience which he might have to wait long for in the States. Accordingly, because there are plenty of young men in the professional classes eager for a year or two in the Isthmus, they can be secured at comparatively low rates. That trait is not a characteristic of the working man in

the United States any more than in other countries. He has an ear prone to listen to tales of woe, and, if he is to be induced to go to Panama, the wages must be so excellent that he is dazzled by them. It is only on these terms that good artisans can be obtained. That explains why workmen are so well paid and the professional men so indifferently paid. The higher the rank the worse is the pay in proportion ; and, as I have previously shown, the highest and most responsible posts are held by capable men at salaries which Englishmen of similar capacities, and given similar responsibility, would laugh at. Splendid though the pay be for white workers, the tendency is soon to sicken of the life, and more than half of them come home every year.

Everything, however, is done to make things pleasant for the transplanted Americans. All the bands and sports and concerts, and amusements generally, are provided to battle against something more infectious than malaria—namely, home-sickness. A whole chapter could be written on the endeavours of the authorities to keep off this disease, for when a man gets it, and particularly when a woman gets it, he and she infect their neighbours, and there is nothing for it but to return to the States. Men were encouraged to bring out their wives and children because it was thought they would think more seriously than unmarried men about pulling up

WHERE THE CANAL WILL ENTER THE PACIFIC, JUNE, 1912.

stakes and leaving good pay, free rent, free doctoring and cheap food. An attempt was made with a sort of matrimonial bureau to induce the here-to-day-and-gone-next-month bachelor to cease his loneliness. Even the best of bachelor quarters were prim and like barracks. Get married and you had a three-roomed furnished house placed at your disposal without extra charge, and there was nothing to pay extra for coal or for ice or for electric lighting. But all these blandishments were not very successful.

How to keep the young men from sighing for the attractions of the cities in the States has been almost as great a problem as fighting the "slides" in the Culebra Cut. That was the reason the Commission built club-houses in nearly every little workers' settlement, and called in the aid of the Y.M.C.A. to manage them; and as these are "teetotal shanties," one of the first results was to drop the consumption of alcohol. Mr. Frederic J. Haskin, in a report on the establishment of these club-houses, says:—

"The result was that the consumption of bad whisky and worse beer fell off at least 60 per cent. in the towns where the clubs were established. The men were social beings, and they had to meet somewhere, and until these clubs were established the bar was the only place open to them. Now they

have bowling alleys, billiard rooms, gymnasia, libraries, dark rooms for camera clubs, soda fountains, lounging rooms, and so on, under the direction of the Y.M.C.A.

"The secretaries in charge of the club-houses form bowling teams, organise billiard tournaments, plan camera clubs, and do everything possible to bring in the people and get them interested. Last year there were more than fifty thousand games on the bowling alleys, and nearly two hundred thousand games of pool and billiards were played, with seventy-four different tournaments in progress. The chess and checker clubs, glee clubs, minstrel clubs, camera clubs, Bible clubs, and the like, catered to the varying tastes of the men.

"In the reading and writing rooms one finds more comfort than in the public libraries of the United States. There are easy Morris chairs where the tired worker may rest while perusing his favourite magazine, studying his technical journals, or looking over the newspapers from the principal cities of the United States."

So, into whatever club I dropped—and I always found there was a good luncheon to be obtained for 2s. 1d.—I saw gymnasia, passable libraries, literary clubs, wrestling teams, fire drill, baseball, aquatic sports, boy scouts, dances, and fireworks in the evening. The ladies' clubs, with their "socials"

and singing and sewing, and "Anti-cigarette Leagues" and Red Cross Societies, are many.

The men are kept hard at work full six days a week. On Sunday morning every religious community is busy—you would think a great revival was in progress—and Sunday afternoon is given up to sports, and the evening to entertainment. "You see," said one of the chiefs of the Administration to me, "when a thousand men are watching a baseball match on the Sunday afternoon they have no time to hang round, get mopish, and begin thinking what it is like in the States." What the exodus would be like if it were not for the "jollity department," it would be dangerous even to guess.

CHAPTER IX

PANAMA OF TO-DAY

During my journey to the Isthmus I read a number of books, magazines, and newspaper articles written by gifted Americans.

They made me eager to reach Panama, the romantic little bit of transplanted Spain, with courteous men and beautiful women, and the architecture rivalling Seville and Grenada in wonder, and where the air was laden with the odour of flowers and life was a delicious fragrant afternoon. It was all nicely done.

But I wish the American writers had a better sense of comparison and did not scribble about Seville unless they knew something about it. Such writing deceives the ignorant, and irritates those who know better. Panama is one of the most interesting places in the world—and to justify me in that statement I may casually remark I have been in fifty-nine different countries—but for quite different reasons from its romantic charm.

To-day Panama is a grimy, undistinguished, semi-Spanish town, not unlike a score of unknown

towns you can visit in Spain itself. The near completion of the Canal has given a boom to real estate, and land speculation is one of the businesses of the day. An idea is abroad in Panama that the city will become the Constantinople of the Pacific, and that it will take toll of all the riches which pass its gate, and so be one of the great places of the earth. Maybe.

The streets used to be foul. But Colonel Gorgas has made the Panamanians pave their principal streets and give some elementary attention to the disposal of sewage. Most of the ways are high-walled, shady and still smelly. Here and there is a quaint church, looking older than it is, and here and there are squares with luxuriant vegetation; there are always plenty of drowsy loungers. The ramshackle sea wall, falling to decay, and the turrets askew, and soldiers hanging round with rifles to prevent the escape of prisoners, is a spot to idle a quiet hour when you want to get away from being stuffed with information as to how many cubic yards of earth were removed from the Culebra Cut last month, how the water of the imprisoned River Chagres is rising against the Gatun spillway, and how British shipping will begin to disappear off the waters of the earth once the citizens of the United States settle down to business and build a mercantile marine.

The Panamanian is an easygoing gentleman, except in regard to politics. Politics with him means revolution, and revolution means money for those on the side of the victors. There is rarely any money in the Treasury. Whilst I was in Panama the police went on strike because they could not get their pay. Nothing is manufactured in Panama except revolutions; even the famous Panama hats come from Ecuador. Three or four of the wealthiest people have got motor-cars. This is not exactly a motoring country, though you can have a run out to old Panama, seven miles off, where there are some scant, jungle-buried remains of the first European city on the west American coast. So the owners of the cars tear up and down the few hundred yards of worn street in Panama to the peril of their compatriots.

It is the happy belief of the Panama people that they are the centre of all things. Indeed, I rather gathered that the chief credit of the Canal is due to themselves. Some of them unfolded to me the ambition to make Panama the great educational metropolis of the world. With the Canal open Panama will be admirably situated to receive students from North and South America, and it will be about equi-distant between the crowded populations of Asia and Europe. So what better spot could you discover for the establishment of a University for the world?

FROM THE OLD SPANISH PORT AT PANAMA; ISLANDS GUARDING ENTRANCE TO THE CANAL IN THE DISTANCE.

Photograph by Underwood & Underwood, High Holborn, W.C.

This is the kind of drowsy dream the Panamanian indulges in as he sits beneath the orange trees in the warm of the evening and sips his beverage. He is podgy and eats spiced foods, which are not good for a tropical climate, and he is disposed to malaria. The Panamanian lady may be good looking when young, but she loses her figure in the early twenties. There are families in Panama bearing the names of Spaniards who came here in the earliest days.

But the quick-moving, quick-witted American is in the land, and he does little to hide his contempt for the Panamanian. What amused me, however, was the way in which different sections of the American community regarded each other. The Canal Zone is under military administration. In the States the Army officer holds nothing like the social position he does in Europe. But the Zone is, in a way, like a miniature India. The military rank first. Civilians sometimes show resentment at the airs of the military men; whilst the complaints of the civilian ladies about the presumptions of the wives of officers, who are not making half the money their husbands are, and who would not be looked at back home up north, just make the visitor laugh, recall India, and recognise that human nature is much the same all the world over.

Quaint are the streets of Panama. When night falls and the cool comes the crowds are out, the

cafés are thronged, and life is light-hearted. At the back of the city, on the rise of Ancon Hill, is Ancon Hospital, dozens of mosquito-proof buildings where there are beds for 1,600 patients, and at night hundreds of lights tell where sufferers lie. I saw a good deal of the medical men attached to the hospital—keen, hard-working, picked men from the States. There are wards for white folk and black folk, a large operating theatre, and special wards for special diseases.

Long hence, when the Canal is one of the accepted things of the world, the way in which Colonel Gorgas kept the Zone free from yellow fever and malaria, so that it was possible to get men to toil, and the work now being done at Ancon in tending the sick and the wounded, may be forgotten. Yet it ought to be remembered. A toll of injury and death has to be paid in the war the Americans are waging with Nature in cutting this Canal.

One morning, having been at Colon, I returned to Panama by what is known as the "hospital train." At the rear of the train were two big cars, airy, with suspended beds, a doctor on duty, and nurses in attendance. A dozen stations are on the way between the two towns, and I noticed a space by the side of most stations "Reserved for hospital patients." Here sat the sick, emaciated, yellow-skinned, all energy eaten out of them, waiting to be

taken along to Panama. Here on stretchers lay the injured—a fall of rock, the slipping of a girder, an unsafe scaffold, had done the mischief—and they were lifted into the cars. All along the track we picked up such passengers. At Panama, among the little cabs drawn by wretched horses, were the big ambulance wagons, hauled by sturdy mules, and stalwart negroes to carry and assist the sick and wounded. *Clang, clang, clang,* sounded the bells of the ambulance wagons as the ailing makers of the Canal hastened to Ancon Hospital.

Now, I do not know that in all my wanderings I have ever run across a finer lot of white men and white women than those I met at Panama. All nations have their Ministers and Consuls, and on gala days flags from all parts of the world droop from the staffs above the balconies. No man is better known and liked than Sir Claude Mallet, the British Minister. He has been in these parts all his life, and with a shrewd but genial personality he has maintained the dignity of his own country and won the esteem of the representatives of other lands. He is married to a charming Spanish lady, and every Englishman passing that way is sure of a kindly welcome from the Minister and his family.

There is Colonel Gorgas, with the softness of manner which becomes a Southerner, tanned, white-haired, blue-eyed, and with that gentle deference

which makes one think of the days when America was young, and the Southern States reared gentlemen who kept their old-time courtesy of manner as a precious possession. There is Mr. Bucklin Bishop, the secretary to the Canal Commission, who was a New York journalist (a close friend of President Roosevelt, who placed him out here), who knows all about the Canal—I place on record my indebtedness to him for much assistance—and who behind mirthful eyes has a brain that grasps details, reckons things at their true value, and is a man who never " blows." There is Colonel Mason, the aide to Colonel Gorgas, and who goes about his work in a quiet, resourceful way ; and the chiefs of Ancon Hospital, Dr. Deek and Dr. Herrick, who were good to me when I fell ill.

A better band of Americans, resolute, confident, doing their work thoroughly and without fuss, the United States could not have sent to Panama. These were not the " cold feets," but men who had stuck to their job determined to see it through. Some had never been back to the States for five years. Those who were married had their families with them, and their bungalows, encased in mosquito netting, were places of genuine refinement.

These bungalows are on the slope of Ancon Hill. After a dinner party, as jolly as though we were in the States itself, it was pleasant to sit among the

flowers on the curtained verandas and joke and laugh, when Britishers and Americans chaffed each other about national frailties, and talked about the Canal and orchids—chiefly orchids, I remember, for most of the men I met were orchid mad, and had an orchid club, and they had expeditions into the jungle to collect orchids, and they turned over melancholy roots as though they were specimens of priceless porcelain. Sometimes they talked about gold in the hills, sometimes about books, but whether the talk was about books, or gold, or the Canal, or why all Englishmen beat their wives with a poker, it inevitably turned to orchids.

Most Saturday nights there was a dance at the Tivoli Hotel, and all of the young Americans and Americanesses turned up. The women were in their best frocks—though they confessed these were out of date and only suitable for intellectual Boston, Mass.—and the men were in conventional evening garb or white duck suits. Dance, dance, and everybody dances in the high temperature till they perspire and get lobster-faced, and collars change from white to grey and are limp, and men have to mark their programme: 9 Waltz (change collar); 17 Two-step (change collar). They are all far from home, at the long promised gate to the Pacific; but they forget and heed not, and have a good time.

A heavy, languorous, oily, sickly atmosphere hangs over Panama, partly decayed jungle and partly the kerosene oil with which the mosquitoes are slain. All things seem damp and clammy. At first I thought I was being provided with damp sheets. But everything is damp. I found that within twenty-four hours my boots began to grow a crop of moss. Within a week I thought my clothes were ruined, so smudged were they with green mould. Every morning there was the uncomfortable feeling one was crawling into garments that had not been aired. When you buy envelopes in Panama there is no gum fastening to the flaps; they would stick before use; so you have to keep a pot of gum for adhesive purposes. Matches refuse to ignite. In the cigar shops an electric bulb has to be kept aglow in the cases, just to give off slight heat, or the cigars would be unsmokable. There are few books in Panama; the damp speedily undoes the binding. The way residents get over the trouble is to have a dry closet, a more or less air-tight room in which there is a small electric heater, which is sufficient to resist the damp, and in this closet clothes are usually kept.

Nearly everyone who visits Panama stays at the Tivoli Hotel. It ought, by strict rule, to be called the "Washington"; the reason it was given the foreign name it bears is because it is on a slight

THE TIVOLI HOTEL AT PANAMA.

eminence which the Spaniards called the Tivoli before they knew there were Americans. When it is finished it will be a fine place; but it is constantly being enlarged or altered, or there is furious hammering, breaking in doors that will not open with a key because the damp has swollen the wood; consequently there is noise. The hotel belongs to the United States Government, and there is a big card commanding you to buy your "meal ticket" before you go in to feed. A coloured gentleman takes your ticket just as though you were going into a theatre. There is always an elaborate "meenoo" with many foreign dishes in weird French, and not at all like the dishes to be obtained in their native lands. Formerly you could get a bottle of wine. But the unco' guid of the United States were shocked that the Government should traffic in liquor, and the sale of alcohol had to be stopped. But you can have alcohol if you care to bring it in yourself. However, you can get a bottle of ginger ale for 1s. 0½d. At the news stall you can buy a local paper of four small pages for 2½d. I do not know how accurate was the limited news from the States, but the English news was generally wrong. Still, you can get a fortnight old New York Sunday paper for 5d., and for a copy of a month old *Punch* I was charged only 10d.

The Panamanians are nice people, most polite.

Their ladies, olive complexioned, dress daintily in the afternoon and evening. But it is injudicious to call on a Panamanian family when you are not expected. The females are then unkempt, dowdy, and in loose robes, and if any romance had got into your head overnight it disappears. There are several picture palaces, where what the Americans call the "movies" can be seen, and occasionally there is a play at the theatre, and sometimes an opera, not very good, though to hear some local people talk Covent Garden is a poor show in comparison.

Practically no social intercourse exists between the American and Spanish ladies. I have an idea they have scorn for each other. The Panamanians are not intellectual, whilst many of the American ladies strive after culture with an ardour which is frenzied. There are more women's clubs and associations in the Isthmus than you will find among any similar number of white women on the surface of this globe. They are mostly religious, and the members are busy in elevating the minds of each other. The American Federation of Women's Clubs has extended to Panama, and there are clubs which teach singing and others which teach bowling, which is capital for the figure. They do good work, chiefly in making the ladies forget the jungle. Gaudy plumaged birds and monkeys interest at first; but

something more sustaining is required to keep thoughts from dwelling on the happy times back home.

All day long there is booming like heavy cannon. The back of Ancon Hill is being blasted for rock to be used in the making of the Canal. Trains switch off toward Balboa, a mile or two away, which is to be the port of Panama, and wharves are being made, and jetties are being constructed, and sites for warehouses are being pegged out, and what was a swamp is being filled in and one of these days will be a great goods yard. The black workers are taken out from Panama in special trains, and are brought back in the evening.

One part of Panama consists of tenements where these coloured people live. You see them best on Sunday, when there is no work and everyone, scantily clad, hangs round and gossips, and sings to accordians, or listens to gramophones, or munches water melons. One Sunday afternoon I sauntered into a church, where a parson with sandy whiskers married three coon couples about as fast as I could imagine it was possible to perform that interesting ceremony. Except the parson I was the only white person in the church. The bridegroom, as black as your hat, was in trousers, wonderfully creased, but too big for him, and patent leather shoes, and white gloves, also too big for him, and he looked, as he probably

felt, an ass. The bride, as black as your other hat, was in white and orange blossom, and a coloured attendant spread out her train, and lanky-shanked piccaninnies stood round, also in white, and all the congregation was blackfaced and overdressed. The bridal couple, grinning, were driven away in a carriage and pair. The horses were white, and though the driver was black, he was wearing a white hat.

Down in Panama proper you see many diminutive policemen—Panamanians. They do a lot of bullying, and if anybody chaffs one of them he blows his whistle and six other diminutive police run to the rescue. The shops are mostly flyblown, and there is on sale most of the stuff rejected by the United States. You wonder who buys such rubbish. There are many saloons. Up side streets you see Panamanians lazying on their balconies. Look into the yards, and you see the patio, a sort of open yard with rooms round about. This place is quite Spanish, but, except in the President's palace, there was no fountain and no pretty flowers.

Nearly every shopkeeper and a good many people you encounter in the street are engaged in selling lottery tickets. There is a State Lottery, and the office is under the Bishop's palace in the Cathedral Plaza. No good Panamanian misses taking one ticket a week. The Church gets some of the money, and

the draw is always on a Sunday, and the first prize is £1,200. On Sunday evenings a band plays in the Plaza, and the young Panamanians, dressed "up to the nines," saunter round and admire each other. If you are looking out for sights you can go to the prison and give coins to the prisoners, who are mostly impudent. When you get into prison in Panama it much depends on the wealth of your friends how long you will stay there.

Or you can go to the cemeteries. There is an American cemetery, and there is a Jewish cemetery; there used to be a French cemetery, but it is now used by the Chinese; and, of course, there is a cemetery for Panamanians. The various races do not mix in life and they are not going to be jumbled together after death, except the French, who have no say in the matter, and the Chinese, who are temporary occupants of the graves till there is a shipload of them that can be sent in one cargo to their own flowery land. Some Panamanians are buried underground. Some are stuck in coffin-sized alcoves in the wall which surrounds the cemetery. These niches are hired by the lamenting relatives, and the rent has to be paid every eighteen months. If it is not paid, then the little slab is removed, the remains are hauled out and thrown amongst a lot of other remains which lie in a heap in a field at the back

of the cemetery. The coffins are not wasted, but are sold second-hand. A serviceable coffin sometimes is utilised by four or five corpses. When the alcoves are "for rent" and there is dumping, the Americans insist on the use of disinfectants. The cemetery is a farmed-out concession, and so there is no sentiment in the business. The owners do not enlarge; they periodically dig up the old bodies to make room for new ones.

So far as years count in Europe the churches are modern. But they age rapidly in Panama. The cathedral was built a century and a half ago. Yet it looks as timeworn as though it belonged to the time of Columbus. The architecture is nondescript, with Spanish-Moorish predominating. The interior is as tawdry as most Spanish churches. But there are older edifices than the cathedral. There is the Church of San Felipe, put up in 1688, and I wonder if the builders knew what was happening in England in that year. San Felipe has a Moorish tower. It is a sombre, unrenovated old place, but is dignified alongside the galvanised-iron-roofed, up-to-date American buildings near by. Panama is well off in Catholic churches. But they are not much looked after, and one was being demolished while I was there because a good price had been offered for the site. There are many heavy doors, with many huge brass knockers. There are remains of a great mon-

THE CATHEDRAL IN PANAMA CITY.

From photograph by Underwood & Underwood, High Holborn, W.C.

astery, now long forgotten. One morning I sought shelter from the heat in the Church of Santa Anna, a forlorn building. The interior was shadowy and musty, and nigh derelict. Yet when it was built by El Conde de Santa Anna, in the days of long ago, it must have been a fine place. There are no nobles of Santa Anna now. But its founder and his family, sleeping in the vaults, had a resplendent coat of arms. The only thing rich about the church is the silver sacramental service, and it is badly battered. The condition of Santa Anna is typical of Spain's hold on this part of the world.

Panama of to-day reckons from 1673. In a later chapter I tell about the destruction of Panama Viejo by Morgan, the Welsh pirate. One day I drove out to see all that can be seen of old Panama, over a good road, past the shanties of natives half hidden by sugar-cane, past a stretch which will make an ideal golf course if it is not built over before someone recognises its proper use, and along a track through heavily matted jungle.

Like the transplanted ruin of a stern Scotch castle, there stands a relic of Spain. It is of stone, and is solitary. Farther on, running out of the jungle, is a rude cobbled road, but moss is on the cobbles. The sea comes in sight, and on a black, slimy shore melancholy waves are churning. On

one side, picturesque amid the towering palms and vivid vegetation, is a sturdy ruin, somewhat like a church. Over a greasy path you can climb to the interior and find trees growing there, and see where the joists were which held the upper rooms, and if you are inclined you may read the names of a thousand visitors who have scrawled, scratched and chiselled them for your benefit. You can push amongst the high shrubs and find remnants of walls. But Nature has been jealous of man's invasion, and is fast covering all that remains of old Panama.

It was a cloudy, hot, rainy-season day when I was there. The air hung heavy, and occasionally there was the screech of a wild bird as it fluttered through the woods. The seas kept tumbling on the black, muddy shore, unceasing, just as they have done since this, the first European city on the Pacific coast, was founded. It was difficult to conjure a picture of this old city in the days of Cortez and Pizarro, and Drake and Morgan.

The time the new Panama puts on a thin cloak of romance is in the evening. Night comes like a fall of purple, and the atmosphere is soft and languid. The little shops are lit up; there are lamps beyond the casements of the houses; there is the ring of the guitar and a caressing song in Spanish; the saloons are gay, and laughter mixes with the rattle of the dominoes on the little marble tables. Bright

colours are subdued by the night except when a shaft of light touches them. Life goes very pleasantly in this city by the sea. But you must have the Spanish temperament to desire to idle all your life away in its crooked streets and flowered plazas.

CHAPTER X

THE BATTLE AGAINST DISEASE

All along I have made reference to the climate of the Isthmus, its evil reputation, the toll of lives, and how now, through the agency of strict sanitation, it is no longer unhealthy. The manner in which a region reeking with pestilence has been made habitable furnishes one of the romances of Panama.

When the Americans first took charge, 452 lb. of quinine a month were taken by the people in the Zone to keep off fever. Indeed, the dispensaries distributed in thirty days a million and a half of two-grain capsules. To-day (1913) not one-tenth of that amount is required, and the general health is much better than then.

During the first year of the American occupation the death rate was two per hundred; during 1912 it was one per hundred. It has been costing the United States £250,000 a year, and the constant employment of 1,500 men, to keep Panama free from the ravages of disease.

So whilst one gang of men has been working to build the Canal, another gang does nothing but

attend to the health of the workers. The great hospital at Ancon was built by the French, and there was brought to bear the latest medical knowledge in curing those who fell sick. The Americans have done much better than that. They have directed their main energies to preventive agencies, so that the men shall not fall sick.

Yellow fever used to rage, horrible and sudden, and strong men quaked at the way their friends went down. For the last few years there has not been an outbreak of yellow fever in the Isthmus. And the old days—what awful times! In the cemetery at Colon there are more men lying dead from yellow fever than there are live men walking the streets.

One of these days an American writer will be visiting Egypt and India, and he will write home enthusiastically that the English are copying the ways of the Americans in Panama, and are tracking down the fever-carrying mosquito which is the villain of the piece. He will mean well, but he will be inaccurate. As a matter of historical correctness, it is the Americans who are copying the English, and doing the work with a thoroughness which is certainly not surpassed by their teachers. It was Sir Ronald Ross, late of the Indian Civil Service, who, fifteen years ago, made experiments which proved that certain tropical diseases were not due

to the climate, or to the water, but to the bite of mosquitoes. Ross demonstrated this in the case of malaria. Experiments showed that other diseases were carried in the same way. Italian doctors next came into the field, and the new axiom was, "If you want to stop tropical diseases, hunt down the mosquitoes." It was then that the Americans took up the study, and it was in Cuba their Army doctors discovered that yellow fever was not transmitted by ordinary infection, but was brought about by a particular kind of mosquito biting a sufferer from yellow fever and infecting another man by stinging him. The educated medical men in Panama acknowledge frankly their indebtedness to Sir Ronald Ross, who discovered the cause of so much disease; but I mention his name because the vast majority of Americans are surprised, if not indignant, if there is any suggestion that the Americans have not led the world in dealing with tropical diseases. They have not done that, though they have done splendid service in assisting the world.

So whilst there are admirably equipped hospitals in the Zone—that at Ancon is unquestionably the finest tropical hospital to be found—Colonel Gorgas and his men hunt the disease-bringers to their haunts and kill them. The mosquito must have water. But he hates kerosene. Smear a swampy breeding place with kerosene, and the mosquito cannot travel.

SPRAYING TRENCHES WITH KEROSENE TO KILL THE MALARIA MOSQUITO.

You see miles of gullies and the region of pools all blackened with the stuff. That puts an end to Mr. Mosquito. But each side of the Canal workings is crowded jungle, and in the shadows damp patch may join damp patch, and the whole form a passage way for the mosquito to travel. When it is discovered that mosquitoes are buzzing in a district, men are set to find the trail of the insects, push into the fiercely resisting jungle, and bar the path with sprinkled kerosene.

There is a popular delusion that the whole of the Isthmus has been rendered free from disease by Colonel Gorgas. I remember hearing this fine and modest gentleman laugh at the idea. So far as the fever-breeding mosquitoes are concerned, all that has been done is, by kerosene, to fence off the working parts. Outside that, in the jungle, affairs are just as they were. During three weeks I was staying in Panama City, I can recall only two nights when the song of the mosquito sounded in my room.

War on the mosquito is constantly waged. Till the Americans got their sprinklers at work more people died every year in the Isthmus of Panama as the direct consequence of mosquito bites than were killed in the Spanish-American War.

The jungle breeds half a hundred different kinds of mosquitoes. Most of them are harmless, and their little sting has no worse result than occasional bad

language. But harmless or harmful, the sanitation authorities are out to kill them. There is no time to be wasted in passing an examination. The innocent have the fate of guilty species—the anopheles, which gives you malaria, and the stegomyia, which soon makes you die in agony from yellow fever.

Some two hundred thousand gallons of oil a year have been used in extermination. With a copper can strapped to his back—in shape much like a Swiss milk carrier—a nigger with a tube in his fist goes tramping, in an area he has to look after, through bush and rough grass and rank weeds, searching for the home of the mosquitoes. Spongy marsh land with pools must be closely sprinkled. So when the mosquito larva comes up through the water to breathe it runs into the greasy scum, and it never knows for what purpose it came into the world.

Thus, with oil for mosquitoes and quinine for men, the chief scourge of the Zone is scotched.

Typhoid, however, spreads up and down the Zone. The mosquito is not blamed for this; it has enough sins of its own. The house fly is proclaimed as the common enemy, and a price is upon its head. The medical men of the Isthmus say the fly picks up the disease by tramping in garbage heaps. The germ sticks to its legs; the fly soars away; it alights on a piece of sugar; a bit of the gathered dirt—really

dust of a plant which grows on garbage heaps—is shaken off; the sugar is consumed by a human; consequence, typhoid. That is what was carefully explained to me, and that is why every house in the Isthmus is periodically inspected, to the disgust of many Panamanians—though they do not now all believe, which was the general impression at first, that Ancon Hospital is a place in which Panamanians are to be killed—and why there is a systematic disposal of garbage. It is not just carted away and dumped outside the range of residence. In every one of the settlements is a garbage furnace, and hundreds of tons are burnt every day.

Pure water is a necessity to health, and water obtained from any source was the system the Americans found when first they came on the scene. No wonder illness was rampant. Now there are two great reservoirs in the hills, and pipes stretching to ocean and ocean put everyone within easy reach of good water. These black painted pipes trail above ground like a serpent miles in length.

Pneumonia is rather bad in the Isthmus. Indeed, at the present time, notwithstanding the temperature, there are more deaths from pneumonia than from any other disease; not amongst whites, but amongst the black population, who are inclined to sleep in wet clothes after a hard day of work in the rainy season.

The transformation which has been effected in the health of Panama is something to be remembered. The reason, however, this unhealthy track was used from the earliest Spanish days was obviously because it was the short cut between the seas. From earliest days its reputation has been sinister. Expedition after expedition has been decimated, not by the arrows of the natives or the flintlocks of rival parties, but simply by the awful ravages of fever. No monster of mythological days ever gobbled men with the rapacious hunger of the real fever monster of Panama. To read the records of the first settlements, especially on the Atlantic side, was to sup of the most gruesome horrors. Yet I fancy there was a bit of exaggeration about the stories. In recent times I know there has been exaggeration. I have often referred to the railway between Colon and Panama, which was made with enormous difficulty over sixty years ago. Many men fell by the way. But if you get into conversation with a white resident about the railroad, and he sees you are a stranger, it is a hundred to one that he will supply you with the little piece of dramatic information that for every tie (*Anglice:* sleeper) on the line a life was sacrificed. This is the wildest exaggeration; but thousands of white folk in the Isthmus believe it.

When the French were making their attempt to cut a way they were unfortunate as well as negligent.

As I have remarked, their mistake was to centre their medical skill upon curing people who were ill, instead of improving the sanitation to decrease their chances of getting ill. Most of us know the Spanish ideas of cleanliness, the colossal ignorance in regard to elementary precautions; and nothing was done by the new-comers to provide unpolluted water or sewers, or to clean up the filth in the villages. To-day in the hospitals at Ancon and Colon are trained, courteous, and cultured nurses; but the French provided Sisters of Mercy as nurses. They were noble women, but they were not experts in nursing. They prayed and were gentle-mannered by the bedside of the sick. The American nurses do not pray; they see that the invalid has fresh air, suitable diet, and they are skilled in the bandaging of wounds. At any hour of the night the sufferer can call a nurse. I was told this was not so in the French days. After evening prayers the hospital was closed, and nobody came till the morning, when sisters returned to pray and brothers to carry out those who had died in the night.

It seems a simple and obvious thing now; but there was more than a spark of genius in the decision of the Americans when, after long delays, the opportunity came for them to build the Canal, that for about three years they did little building, but concentrated all their thought on making it possible for

men to build without dying in numbers whilst doing so. I say this was "the decision of the Americans," and by that I mean the Americans on the spot. The people in the States were not so much impressed by this necessity; what they were mainly anxious about was, in their own language, "to see the dirt fly." Reprimands came from Washington at the slowness of the excavations. Hustle was wanted; the newspapers desired tangible proof that mountains were being removed. The men on the spot did get some steam shovels and set them to work; this was in order to demonstrate something was being done in excavation. What, however, they were worrying about was, first of all, to make the Isthmus a liveable place.

When Colonel Gorgas went out as chief sanitary officer he did not find things smooth. American politicians have often a blunt and brusque way of expressing their opinions, and a man less convinced than Colonel Gorgas that he was absolutely on the right path might have thrown the job up in disgust. The first thing he set about was to provide good water and effective sewerage. Plans were prepared; dams for reservoirs were constructed. But the United States Government was slack in sending out the pipes. It took eight months before they were all delivered. Yet within four months the Isthmus had its water and sewerage scheme. Next, the stink-

A SECTION OF THE GREAT CULEBRA CUT, JUNE, 1912.

ing, fetid condition of Panama City had to be looked to. Instead of foul mire being prevalent, the main streets were paved with brick and the other streets were macadamised.

We complain of the hampering effect of red tape in British departments. American administration, so far as the Canal was concerned, was tangled with red tape. The local men said certain things were needed; the report went to Washington; it was considered in dilatory fashion by men who had no right to an opinion. Sometimes the request was rejected; sometimes approved; and then there was advertising for material or instruments, and delay in coming to a decision. So there was waiting for months to get wire netting to protect the windows of the central offices in the Zone. When a request was made for wire netting to guard the official buildings it was refused on the double ground, first, it was unnecessary, and, second, it would cost too much. Colonel Gorgas asked for wire netting, at any rate, to guard the verandas of the hospitals. The request was refused. When it was seen by Colonel Gorgas and his colleagues that whatever they did would be useless so long as the two Spanish towns of Panama and Colon were allowed to remain sinks of disease, and that, therefore, it was necessary to take charge of the sanitation in those two places, consent was held back for months, and was only

acceded to when yellow fever was likely to become an epidemic amongst the whites. When the fresh-water supply was decided upon, and the pipes came tardily, and a cablegram was sent to Washington urging haste, the reply was that "cablegrams cost money." No doubt the Government at Washington and its representatives, the members of the Canal Commission, were anxious not to imitate the French in reckless expenditure. They jumped to the other extreme; they were parsimonious, and on the top of that they were dilatory.

Despite rebuffs, the men on the spot were persistent. They remembered the death rate during the French occupation, rising at one time to so startling a height as 6 per cent. Though after the French had departed there were few cases of yellow fever, the Americans, to their dismay, found when they took charge that it began to increase again. Conceive the effect of this on the minds of the American colony. Demoralisation, panic, together with a fatalistic callousness, took possession of people. The daring ones, feeling they were gambling with death, were satirical about the health notices issued by the sanitary staff; even when netting came they showed their contempt by tearing it. The Government, of course, relied on the Commission, and the Commission were slack, if not antagonistic, toward the sanitary officers. These latter, fired with

a great purpose, were no doubt regarded as nervous busybodies, thinking their department was the most important of all—which it was at that time, as history has proved. If fault there was, I think it really lay with Washington. Officials there were apparently unable to realise the situation. And behind Washington was public opinion. Popular clamour is the most dangerous of guides. The American mind at that time was working on this line: "Get on with cutting the Canal; get on with it. Americans are not Frenchmen, likely to be knocked over by the first nasty smell. What is the good of wasting time and money in trying to make the place healthy? Get on with the building of the Canal; make the dirt fly." The sanitary authorities said, "But we must make the place possible to live in first." The comment of the Commission amounted to, "Yes; but you see how impatient the public is. They do not mind finding money, but they expect it to be spent in excavating the Canal, and not in special net-guarded residences and in tons of quinine, and in the latest fal-lals of surgical instruments."

Thus it was that work had to be started before the place was ready for the big incursion of workmen. The American nation insisted on seeing something for its money. Thousands of men were engaged to work, and the American nation heard of something,

though it did not see it. In a month there were thirty-eight cases of yellow fever in the Isthmus, and there were all the indications of an increase. Men who went through those days have told me of the fear which chilled the hearts of those who were not displaying swaggering unconcern. Yellow fever hit swiftly; it was ghastly; the chance of recovery was small; death came with awful terrors. The Governor of the Zone and United States Minister to Panama was Mr. Charles E. Magoon. He did his best to frighten the braggarts. He insisted on screens to the dwellings to keep out the mosquitoes, insisted on their being kept closed, and threatened harsh punishment on men who refused to take precautions. Next it was decided to fumigate every building in Panama to slay the stegomyia. This was done in just over a month. There was to be an instant report of anyone suffering from fever, and not the all-important three or four days allowed to elapse before someone took it into his head to tell the authorities the man was really bad. The inspectors were few, and, try as they would, they could not lay the epidemic. Eight Panamanian doctors were employed; each of them had an eighth part of the city of Panama within his radius; each had to make an inspection of every house within his particular area every day. These Panamanians did good in teaching their own people that the object of

the interfering Americans was to do them benefit and not harm.

Still there was much to be done. Schools of sanitation were started throughout the Zone, and all employees had to attend the lectures. A systematic endeavour was made to stamp out the mosquitoes, especially in Panama itself, where the Spanish people were by no means so likely to be afflicted as the newly arrived white Americans. Supplying the city with fresh water gave excuse for destroying the tanks and barrels formerly used, which were mosquito breeding places. Every can or pot lying about the town, and likely to hold a little water, was removed. Every nook into which water might drain was saturated with kerosene. The same thing was done at Colon. All along the working stretch of the Canal Zone, wherever there was a puddle or pool or a stretch of water, the kerosene sprinkler was brought to work. The thirty-eight cases in May, 1905, went up to sixty-two in June, 1905, when Mr. Magoon was giving every encouragement to Colonel Gorgas and his men. At the beginning of their labours it looked as though dire failure would be the result. The prospect was black. It was contemplated removing the official staff to the healthy island of Taboga, in Panama Bay. The next month, however, the hard work began to tell. In July the number of yellow fever cases was down to forty-two; in August it

was down to twenty-seven; in September it was down to six. The yellow fever stopped, and though since September, 1905, there have been rumours of cases, and I believe one or two cases which were imported, the glorious fact is that since then there has not been a single substantiated case of yellow fever in the Zone.

The death rate in Panama is now only 25 per thousand a year, and Americans—rightly proud of what has been done, though the American nation deserve no credit, for it hampered rather than helped Colonel Gorgas—point to the superiority of this rate over Bombay, where it is 55 per thousand, Madras 35, Calcutta 30, and so on. Here I am afraid Americans do what some of them are too prone to do, fail to compare like with like. All the people, black and white—apart from the Panamanians—are picked, healthy people; men and women in the flush of their manhood and womanhood, and every arrival has to be certified healthy and pass through a sieve of inspection. You ought not, therefore, to compare the death rate under such exceptional circumstances with the normal death rate in Oriental or Western cities. I write this in no spirit of depreciation, but with a desire to get a proper proportion into the value of what has been accomplished.

Any way, the sterling result is for the appre-

ciation of all men. The Americans found Panama a sink of death. They have made it a place where the healthy man, if he takes ordinary precautions, may continue to be healthy and not suffer from life in the tropics, except the slight enervation which is usual in all tropical lands, however healthy.

CHAPTER XI

THE REALISATION OF A DREAM

THE building of the Canal is the realisation of a dream which has been in men's minds for over four hundred years.

Remember that the aspiration of Columbus was to find a new way from Europe to Asia. He thought he had done so, and he died without knowing he had found a new continent. On his fourth and last voyage he was on the Isthmus, and went part way up the River of Crocodiles, now known as the Chagres River, the waters of which provide the means for doing what Columbus thought he had done.

He fumbled for a passage. The natives had told him of "a narrow place between two waters"—the Isthmus—but he assumed it was a strait which would lead him to China. It was on November 2nd, 1502, that he landed at Puerto Bello, subsequently to become a Spanish fortress, the burial place of Francis Drake—who sleeps his long sleep in the mud at the bottom of the harbour—and the rocks of Puerto Bello have been blasted during the last ten years to provide material for the breakwater on the

Atlantic side of the Canal. Puerto Bello lies to the east of Colon, and Columbus went there hoping to solve the secret of the strait. Nearly two years before that Rodrigo de Bastidas was the first European to land on the Isthmus. He had heard that farther on there was a great water. The natives told him that boats had passed through; indeed, the tradition remains amongst the old race that there was a passage, and in some parts of southern Mexico the natives are still sure there is a way, but that it is a secret.

If there was a passage the early explorers were determined to find it. Three years after Columbus was there La Cosa and Amerigo Vespucci, who gave his name to the new world, went along the shores of the Gulf of Darien, and actually penetrated two hundred miles up the Atrato River. But they had to return disappointed, though they had some reward in finding gold. Puerto Bello, under the famous Francisco Pizarro, grew in strength, though it is a sad and forlorn place to-day.

On the scene came Vasco Nunez de Balboa. He had gone out to the West Indies—Hispaniola—with Bastidas. He was a farmer, not a successful one, and something of a rapscallion, and had to escape in a tub. At the mouth of the Darien River he founded the city of Santa Maria del Antigua. He was a man of determination and ambition. He was

quarrelsome and imperious. When his superiors endeavoured to check him, he arrested and imprisoned them. He married a native princess; he made allies with the native chiefs; he became all powerful.

The news of his high-handedness reached King Ferdinand in Spain. Things were going to be rough for Balboa, who was a usurper of authority and the cause of much mischief. As the new land was only regarded as a fount of treasure for the aggrandisement of Spain, Balboa decided to do something flashy. He, with the rest, had heard of the great western sea leading to a land of gold. With a little force he pushed through the jungle. It was a rough, mountainous and tangled way—to-day it is just the same as it was then—and on September 25th, 1513, he stood on Darien Height, and so was the first European to sight the Pacific. On September 25th this year, 1913, Colonel Goethals hopes a boat will pass from the Atlantic to the Pacific.

Four days later Balboa had reached the coast, and he walked into the sea. It was St. Michael's Day, and he called the spot St. Michael's Bay. What his thoughts were only imagination can conjure. If it was a day like that when I walked along the historic shore, it was grey and stormy, and the ocean angry, and the heavily wooded lands sombre and forbidding. In the wild shroud of the day he saw

CULEBRA CUT AT CULEBRA: VIEW LOOKING SOUTH; BLASTING ROCK ON CONTRACTORS' HILL, JANUARY, 1912.

the Pearl Islands. When he returned to Puerto Bello he had gold and pearls to send to Spain. He immediately received the King's pardon for his past misdeeds, and became Governor of the new lands.

But the King died. A new Governor was appointed, Pedrarias Devila. He was both brusque and cunning, and he hated Balboa. Balboa, however, unable to find a channel between the two oceans, was determined to sail the new sea. In 1516 he had four brigantines carried in sections across the Isthmus, and he also took material for the building of two other ships. His ears were full of stories of immense gold in a region to the south—Peru—and he wanted to have some of it. But Pedrarias had a charge laid against him that he claimed independence from the Spanish King, had him arrested by Pizarro, and executed. And that was the end of Balboa, the first to see the Pacific, a man whose name will be ever associated with the Isthmus, and who has had a much advertised and much consumed local beer called after him.

Then came the founding of old Panama City—of which more anon—only to be sacked by the Welsh filibuster, Henry Morgan, a century and a half later. From the Isle of Pearls were brought jewels as big as nuts. But always there was that search for the hidden river which joined the two oceans. It was believed in. Expedition after expedition searched

the coast line, went up rivers, climbed mountains, wheedled, bullied and tortured the natives in the hope that the secret would be revealed. The chief, Nicarao, with his territory by the sea of Nicarao (Nicaragua), gave hopes—but they were falsified. Still the search continued by men whose names are but scrawls upon the scroll of time.

At last France came along and took up the search. Jacques Cartier explored as far north as Labrador, led on by the tales of the natives. That was the beginning of the French settlements in the Western world. Others went as far south as the Straits of Magellan, and although here a path was found, it was not the path that was being sought. Somewhere in the centre of America, somewhere in the region of the Isthmus of Panama, there must be a way: that was the firm belief, and men risked and lost their lives with the frenzy of discovery upon them. Hernando Cortez, the conqueror of Peru, had five ships built on the Panama side and they made slow, systematic search. There were rival expeditions seeking the honour of finding the way; there was treason, fighting, killing. For twenty-five years there was diligent looking for a water-way. Men were confident it existed, and were heart-broken at their failures.

It was Cortez himself who in those far-away days, and impatient with the futility of searching, first

conceived the idea of a canal. There have been hundreds of schemes during the last four centuries as to the proper way to make a canal, but the first plan was preferred in 1529 by Alvaro de Saavedra Ceron, who had been with Balboa, and was cousin to Cortez. He, indeed, had four routes—by way of Panama, Nicaragua, Tehuantepec and Darien. The disputes we have had in our time over the rival merits of the Panama and Nicaragua routes have been but repetitions of the hot quarrels there were over these very routes four hundred years ago.

Charles V. of Spain was eager, and pressed on his representatives in Hispaniola to proceed with the work. Gomara, the historian, wrote in 1551 : " There are mountains, but there are also hands. Give me the resolve and the task will be accomplished. If determination is not lacking means will not fail ; the Indies to which the way is to be made will furnish them. To a King of Spain, seeking the wealth of Indian commerce, that which is possible is also easy." It was no good. Philip II. sent engineers to cut the canal. Still it was no good.

About that time England was beginning to contest with Spain the supremacy of the seas. A dread came to the Spaniards. What if they built a canal and it fell into the hands of the English ! So Spain solemnly decided it would be an insult to Providence to join two seas which the Almighty

had divided. And anyone who attempted to make a canal would pay the penalty of death!

Then the battles on the Spanish Main and Drake constantly harrying Spanish ships. Spain had other things to occupy her than building a canal, and I can find little talk about one for a century. But Spain took up the idea again. England had Jamaica. It was thought that Spain's fortunes would be improved if there were a canal between the Atlantic and the Pacific, and this time the Nicaragua route was favoured. Nothing came of this scheme either. There was much fighting, freebooting and carnage between the two nations around the islands of the Indies. Spanish towns were sacked; Spanish trade was ruined. It was the day of bold, bad buccaneers, and Henry Morgan was the chief of the tribe. His deeds of derring-do in the Isthmus, waylaying Spanish mule caravans laden with Peruvian gold on the hilly jungle road between Panama and Puerto Bello, are still told with wonder. He did not bother himself about canals. But among his companions was one Lionel Wafer, who reported home there were valleys through the Isthmus, and he thought there would be no difficulty in making an artificial river.

Now the name of William Paterson, a Scot, is recalled by the world as that of the man who founded the Bank of England. Paterson, however, was more

CULEBRA CUT, LOOKING NORTH FROM A POINT JUST SOUTH OF THE EMPIRE SUSPENSION BRIDGE, MAY, 1912.

The train at the lowest point of the excavation is 27 feet above the bottom of the cut.

than a banker; he was a visionary. Being a man of knowledge and reading, he knew something of the wealth of Africa and the Indies. He dreamed more. He was a pioneer, daring and wide-ranged in his operations. Company-floating is an every morning occupation nowatimes in London. It was a hazardous affair in the sixteenth century. Paterson incorporated "The Company of Scotland trading to Africa and the Indies." Eyes were fixed on the Isthmus. A body of colonists sailed from Leith. They found their landing place in Caledonia Bay, and they proceeded to build the towns of New Edinburgh and New St. Andrews. But the colony was badly planned; disaster dogged it; and, as narrated in another chapter, it came to an inglorious end.

The Spaniards being no longer able to shake the fist at new-comers, other attempts were made to settle the Isthmus with British people. They all failed. The district was too abominably unhealthy. The only relics of those melancholy endeavours are the names of Caledonia Bay and Puerto Escoces.

Still navigators, merchants, adventurers constantly turned to this neck of land and wished for the day when it would be cleft and a fair waterway opened to the wonderland on the western slopes of the Americas. Spain had tried and failed. Britain set out with high project and failed also. France

came. Surveys were made, and a route by the Nicaragua lakes was thought possible. Nelson chased the French, and in 1780 was at Nicaragua to get control of the lakes and check the designs of France. Yet it was always the same story: nothing was easier than a canal, yet no one started to cut. If a map of the Isthmus could be marked with the canals which have been projected, dozens of tracks would score it. Why, at the beginning of the nineteenth century, Alexander von Humboldt, who had made extensive expeditions, drew up a list of nine ways suitable for a canal.

The Isthmus was then part of the gigantic Spanish territory of Colombia. Spain suddenly galvanised itself into action, and in 1814 said a canal must and should be made. But some of the Spanish States took it into their heads to declare their independence. There was the Colombian Federation (comprising the present Republic of Venezuela), Quito (which is the Republic of Ecuador), and New Granada (the present Republic of Colombia). With these wayward children causing the Mother Country anxiety, Spain, still dreaming of a canal—and, notwithstanding energetic words, doing little but dream—turned to the United States, which was just stretching its arms in its new strength as an independent nation, and suggested a helping hand should be given. Negotiations were slow. But in

1825 there was a Congress of the States of Central America; it was decided a canal should be built via Nicaragua, and a concession was given to a man named Benister. He passed it on to an American company, which, after getting funds together, failed.

That money could be made by a canal was firmly believed. Foreign adventurers came in a flock; concession overlapped concession; companies blossomed and withered; frequent starts were made, and they always came to nothing. However, the United States of America, though by no means enthusiastic, had a glimmering consciousness that a canal would be advantageous—though that was long before the discovery of gold in California. The United States talked but did nothing. Then the Republics of Central America turned to Europe for capital. English engineers appeared and were cautious in their advice. The French were much more daring. They had one of the old concessions, and Louis Napoleon Bonaparte, whilst in prison, got from the Nicaraguan Government in 1846 a definite concession for "La Canale Napoleon de Nicarague." The mind of Louis Napoleon was inflamed with the scheme. "Let me go to Nicaragua," said he, "and I'll never trouble France again." But he was not allowed to take his departure.

Anyway, the world now began to realise that a canal was within the range of accomplishment.

And each country began to realise its interests might suffer if a rival possessed the canal. French and United States activities and talk induced Great Britain to take stock of its position in Central America. The English had settlements in Honduras and Nicaragua, and treaties were in existence between Great Britain and Spain acknowledging claims. A British suzerainty was recognised by the Mosquito Indians in Nicaragua, and an Englishman named Oldman was said to be their king. Boundaries were ill defined in those days; the regions were unhealthy. The diplomatic eye was not always watching, and nobody thought of trouble. But without doubt the British, by virtue of occupation, had rights in Central America. There was British Honduras, and the Mosquito country was a dependency of Jamaica.

So it gradually came to be understood that if a canal were cut through Nicaragua it could be only with Britain's approval. The United States, having been shilly-shallying for many years, and recently much occupied with grabbing Mexico and getting excited over gold in California, all at once woke to the possibility that she was going to be out of the fair. Something had to be done. A treaty was negotiated with New Granada (Colombia) giving the United States exclusive transit across the Isthmus. But there was to be neutrality of

routes, and the sovereignty of Isthmian territory to be recognised.

Now there began a rivalry between the Nicaraguan and Panamanian routes. The idea was to have coaches on the land and ships on the Nicaragua lakes, and so hurry passengers from the Atlantic to the Pacific seaboards. This, however, was completely outdone by the construction, after many difficulties, and the forfeiture from sickness of many lives, of a railway, fifty miles long, between Colon and Panama in 1855.

Still there was fear in the United States of what Great Britain would do. America began to make further negotiations with Nicaragua, and it was suddenly announced that the United States had guaranteed to guard Nicaraguan independence in return for the exclusive rights to construct a transit way, rail or canal. This ignored all British claims. England was emphatic, and the United States had to repudiate its envoy, Mr. Hise. America realised it had acted high-handedly. Yet, although it retired for the moment, it was determinedly anxious to hinder England making the canal—for at this time the Nicaraguan route was first favourite. So another envoy was sent south, and he negotiated a treaty with Nicaragua that there should be "equal rights of transit for all nations through a canal which should be hampered by no restrictions." If

the United States could not have supreme control it was eager to prevent anybody else. Let all nations be on an equality, was its attitude—and it is worth while to remember this in view of what subsequently took place.

But as America had now by treaty a grip on Panama with which Great Britain could not interfere, Great Britain insisted she had claims in Nicaragua superior to any that America could advance. America, ever resourceful, checkmated Britain by getting the shores of Nicaragua ceded to the United States. The British answer was to send battleships and take possession of Tigre Island. The British were told to get out. They refused. For a time the sky was black, but the matter was settled by the United States formally recognising British supremacy on the Mosquito Coast in return for Great Britain undertaking to raise no objection to the construction of a neutral canal. That was the deal.

So there was drawn up the treaty between Secretary Clayton on behalf of the United States, and Sir Henry Bulwer, the British Minister, on behalf of this country. This was the Clayton-Bulwer Treaty which caused trouble later on. Its terms, however, were quite explicit:

1. That neither country should exclusively control the Nicaragua Canal or build fortifications.

2. That neither should fortify, colonise or exercise dominion or protection over Central America.

GATUN LOWER LOCKS—MIDDLE AND UPPER LOCKS IN THE DISTANCE, JANUARY, 1912.

3. That both would guard the safety and neutrality of the canal and invite other nations to do the same.

Thus a definite "general principle" was established.

But the United States soon showed she was unhappy. She displayed a ruffled temper. After having been a partner in the treaty she said she did not like it, and wanted something else. Growling did not alter matters, and so intrigue was attempted. An endeavour to get England to withdraw from the Mosquito Coast failed. The United States next threatened to abrogate the treaty. There were renewed conferences between the two nations. England had no desire to quarrel, and she yielded her protectorate over the Mosquito Coast, gave the region back to Nicaragua, recognised the independence of that Republic, but made it clear that if Nicaragua tried to dispose of her authority to another Power she would have the right to step in again. America got angry; her contention was that what Britain had yielded was only shadowy.

All this roused resentment in the minds of European statesmen. M. Felix Belly, who represented France in Nicaragua, thought the best plan would be to put the country under the protection of the European Powers, and to place French warships on the lake, for France had no territorial desirés. The United States became indignant. At

that time Mr. Cass, the United States Secretary of State, wrote to Mr. Mason, the American Minister in Paris, "We desire to see the Isthmian routes opened and free for the commerce and intercourse of the world, and we desire to see the States of that region well governed and flourishing and free from the control of all foreign Powers." That was quite right; but there was always an explosion of wrath at Washington if any foreign Power declared the United States should mark the same line.

At last everybody agreed that all the nations should recognise the independence of the Central American States and not interfere. Immediately afterwards, however, (1861) the Central America Transit Company, financed from New York, got a monopoly on the San Juan River and Lake Nicaragua. It was a failure, and ultimately the concession was sold to an Italian company, which uselessly held it for twenty years and then re-sold it to the American Maritime Canal Company.

Now before this the United States had directed its fancy to the Tehuantepec Isthmus, a comparatively narrow neck of land at the corner of Mexico. About 1840 America, after much negotiation, did succeed in getting the exclusive right to build a canal in that region. As in other cases, America did not exercise her advantages. The whole thing fell into abeyance.

But during the last dozen years there has been much English railway enterprise in Mexico, and Sir Weetman Pearson (now Lord Cowdray) built a line from the Atlantic to the Pacific over this very track, with accommodation for shipping. Without doubt this route will be a rival to the Panama route. Indeed, for years various companies surveyed possible ways for a canal in Central America. The English investigated the Caledonian Bay route and the Atrato River routes—and in regard to the latter there were constant stories of boats being taken from ocean to ocean—but America did little except, when a company of another country got a concession, to raise objections and proclaim that it must do something itself. At last America made investigations in the Panama area. The report was not at all favourable, for it was said that not only would locks be necessary but there would have to be tunnelling for seven miles. However, in 1869—when the French achievement in cutting the Suez Canal fired imagination—the United States made a treaty with Colombia, of which Panama was then a part, for the building of "an American canal under American control." As usual nothing came of it.

Still there was a hankering after the Nicaragua route. The Clayton-Bulwer Treaty had contemplated a canal. But as no canal had been made, the Americans conceived the idea that would be a good excuse

for abrogating the treaty. Indeed, the Americans were gradually evolving a policy that no European country should do the work. It was therefore in the year I have mentioned (1869) the United States realised it could no longer play the dog in the manger, and that its duty was something besides spoiling the pitch of other countries. Accordingly there was much energy and extensive surveying, and the conclusion was that the Nicaragua route was the best. Still the Clayton-Bulwer Treaty was in the way, and again nothing was done.

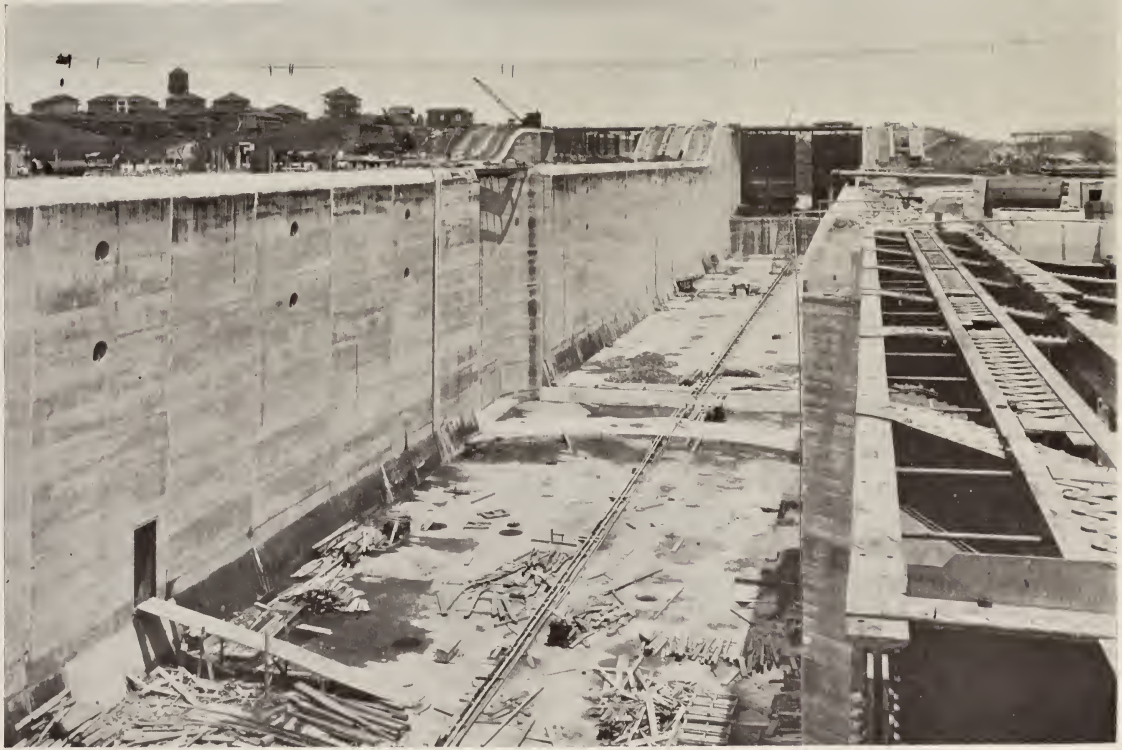
The Republic of Colombia was eager to have a canal made through the Panama Isthmus—there was money in it. Welcome was given to any likely person or company that came along. As America evidently did not mean business, France was favoured. Lieutenant Armand Rechus was the go-between. So there came into existence "La Société Civile Internationale du Canal Interoceanique," which decided on a sea level canal with a tunnel between four and five miles long. There was an International Engineering Congress in Paris, presided over by Count Ferdinand de Lesseps. A Central American canal was discussed. American and English opinion was favourable to Nicaragua, but a resolution backing the Panama route was carried. The Société Civile having sold its rights to Lieutenant Wyse, an American who was enthusiastic for the way over

which the canal is now constructed, the Universal Interoceanic Canal Company, incorporated by de Lesseps, purchased the rights which Wyse held. Naturally, the United States was up in arms. It really looked as though the French were going to work. The sacred rights of the Monroe Doctrine were invoked. The Americans hustled to start a company of their own. Delegates were hurried to Nicaragua, and, ignoring the Clayton-Bulwer Treaty, a concession was obtained on condition that the making of a canal began within two years of May 22nd, 1880. It never was. De Lesseps went to Panama; there was much enthusiasm; the great engineer reported all plans were ready to proceed with a canal to cost £25,000,000, and it was to be under a European guarantee of neutrality.

The Government of the United States was in a ferment. President Hayes was quick to send a message to the Senate proclaiming that any canal must be under United States control and United States control only. European Powers were to keep out. Concessions to foreigners and treaties were to count for nothing if the sovereignty of the United States was jeopardised. Frenchmen could build the Panama Canal with French money, but it was America which would have the making of the regulations. The funny thing was that, whilst Americans were shouting for the smashing of treaties which

blocked the way of her ambition, they were furious that de Lesseps should be endeavouring to persuade the Colombian Government to break a treaty made with the United States in 1846, by which the United States had a right of way or transit across the Isthmus of Panama. America threatened Colombia. There was string-pulling. De Lesseps was accused of corruption in the United States in order to swing public opinion in his favour. De Lesseps, however, went back to Paris, buoyantly happy, to raise the necessary capital, and he dismissed the American opposition as mere jealousy of France. Thus whilst most Americans were shouting "We must keep the French away from Panama," a considerable body was crying out for progress to be made with the Nicaragua Canal, and another section was advocating a ship railroad over the Tehuantepec route, to carry the largest ocean-going vessels from the Atlantic to the Pacific. Mexico was healthier than Panama; it was much nearer the centre of the world's commerce; it would save time. America was determined on something practical to dish de Lesseps. It did nothing but talk.

But wonders would be accomplished if only the Clayton-Bulwer Treaty could be got rid of! England sat still. Diplomatic pressure was tried. Mr. Blaine, Secretary of State to President Garfield, had a letter addressed to all the European Powers pointing out how



GATUN MIDDLE LOCKS, LOOKING SOUTH, JUNE 7, 1912.

unnecessary was a European guarantee of neutrality over an American canal, because, said he, the United States had already "positively and efficaciously" guaranteed the neutrality of the route. Besides, he added, a European guarantee would be offensive to the United States. Indeed, he wound up with a plain intimation there would be war if any European Power interfered with what were United States rights.

It was a forcible letter; but Mr. Blaine had forgotten Great Britain. Britain simply reminded the world of its rights in Nicaragua. Nicaragua had been left free by England on condition it did not give special privileges to other countries, and on a promise that it would pay an indemnity to the Mosquito Indians. This had not been done, because Nicaragua thought America would support her in not paying it. America failed. The dispute between England and Nicaragua went for settlement by arbitration before the Emperor of Austria. He declared against Nicaragua. Accordingly, with Nicaragua as a party, the claim of Britain to control the long-talked-of Nicaragua Canal where it would enter the Caribbean Sea was re-established. Americans now admit that, excellent though Mr. Blaine's intentions were from his country's point of view, he made a mess of things. The authority of the Clayton-Bulwer Treaty having been reaffirmed

before the world, Mr. Blaine immediately began to engineer to have it abrogated—and that was not a propitious hour to approach England. However, he wrote to the British Government, pointing out that, whilst America was ready to build the Canal, it would be unfair for British warships to have the practical control of it. He asked that America should be released from the treaty, but that Great Britain should still be bound by it. He asked that the Isthmus of Nicaragua and Panama should be under the sole protection of the United States, and in return he promised absolute neutrality of the Canal. He followed this up with a second communication. The only answer he got from Lord Granville, then British Foreign Secretary, was that his arguments were "novel in international law." The debate continued in other hands, but so far as the result counted America was worsted.

Meanwhile "Le Grand Français," with splendid enthusiasm, was proceeding with his project to cut the Panama Canal. He asked for £12,000,000, and was offered £25,000,000, mostly from French investors. It certainly looked as though the dream of the centuries was about to become a reality.

CHAPTER XII

FRENCH MUDDLE AND AMERICAN DELAY

I saw many exhilarating spectacles in my wanderings about the Isthmus. But the thing which always stirred melancholy was to come across French engines and French dredgers, half sunken in the swamps, brown with the rust of passing years, and many of them partly covered with long creeper plants—a sad monument to French enterprise which failed.

With a flare of trumpets the grand work of making the Canal was inaugurated on February 1st, 1881. Sarah Bernhardt went to Panama, and there was a gala performance in the theatre. Several hundred Frenchmen marked out the route of the Canal. Magnificent salaries were paid. Buildings were erected for the workpeople, sheds for the workshops, and the fine hospital at Ancon was founded. Thousands of workers were imported, and the delving began. A tremendous amount of the excavations now utilised in the present Canal was accomplished under French administration. The scientific investigation into the water supply of the Chagres River

was so well done that in recent years the Americans have had no need to improve upon it. The finest machinery of the day, expensively purchased, much of it quite useless, was rushed to the Isthmus. There was plenty of money.

As the class of workers attracted were of the adventurer type, it was natural that much female riff-raff soon found its way there. Gambling and debauchery became rampant. The territory was unhealthy, and the medical provisions of the French were too limited or unheeded. Anyway, fever soon broke out, and the number of deaths was appalling. The fact that the people were dancing with Death made them callous and reckless. Panama became a sink of iniquity. Yet the band kept playing and the world was constantly informed of the progress being made. France was in ecstasies, and de Lesseps was hailed as "Le Grand Français." Amid the cheers of his countrymen he was elected to the French Academy.

Affairs, however, were proceeding unhappily. Riots broke out, for it was thought that France n reality was intriguing to get possession of the Isthmus, besides having the right to build the Canal. American warships were sent to Panama, and the French complained of the intervention. Yet, notwithstanding the terrible toll of life, the work was being done by several construction companies under

AN OLD FRENCH LOCOMOTIVE NEAR EMPIRE.

contract. They began to fail. Alterations in design were decided upon. Instead of a deep-water canal the necessity of locks was arrived at. The constructing companies cleared out, and the whole construction passed into the hands of M. Eiffel.

More money was wanted. The French public was again invited to subscribe. But enthusiasm had been damped down. Subsequent revelations showed that bribery was practised to induce the French Government to supply the necessary funds. That failed. Then there was an agitation to have a national lottery, so that the cupidity of people could be appealed to. This was granted, but the response was unsatisfactory. Then in 1888, with the wells of supply dried up, the de Lesseps company failed and went into liquidation. So, although the promise had been made that the Canal would be completed for £25,000,000, £80,000,000 had been raised and spent, and the Canal was not half finished.

Now was the appropriate moment for the United States, which had been watching the whole enterprise with jealous and unfriendly eyes, to take action. The Government at once formally protested against any European Government having a voice in the construction of the Canal; public money was set aside to guard American rights; the Maritime Canal Company of Nicaragua, heavily financed by New York, came into existence.

The whole world was aghast at the French debacle. Corruption had been rife in Paris; leading politicians were convicted of having taken bribes; some fled, others committed suicide; de Lesseps himself, convicted, sentenced to prison, was a disgraced and broken man. American politicians rolled their eyes in horror that French politicians should have taken bribes.

The failure of the French was the greatest tragedy which has ever overtaken a mighty scheme intended to benefit the world. Most of the French investors were poor folks, and thousands of them were cast to ruin. The whole thing had been too flamboyant. There had been a criminal expenditure of money. When more was wanted the frenzied financiers behind the scheme sank to every infamous trick to cajole the public that all was well and to induce them to provide funds. It is difficult to refrain from feeling that the French, fascinated with the idea, went mad. The extravagances were amazing; the salaries paid were colossal; millions of money were spent in buying things the use of which is a mystery; highest prices were paid. The Colombians, through whose property the route was cut, extracted the value of valuable town property for miserable swamp. When the greed was such that even the French, desirous though they were to conciliate the natives, had to resist, the only appeal was to Colombian law courts,

and the decisions were always in favour of the rapacious Colombians. Further, the French, when bringing workers into the Isthmus, failed to take preliminary adequate precautions to protect them from the ravages of malaria and yellow fever, which made Panama one of the pest spots of the world. The Americans, when they subsequently came along, did splendid service in removing the fever-carrying mosquitoes before the bulk of the men came there; all the French did was to have hospitals to deal with the men after they had been afflicted. They were good hospitals, finely equipped, but the management was woefully defective.

Now, far removed from those times, we can survey what took place with calm and judicial thoughts. We can see how many things were wrongly done. Yet, in fairness, we have to remember that the French were flushed with an enthusiasm which led the excitable Gallic mind to ignore details. For instance, instead of taking the excavated debris a long distance, they piled it on the banks of the Canal. The earth is soft and unstable, and the consequence was that the superadded weight only pressed in the sides of the Canal. This caused further expense.

The French, however, had dared a task which other countries had only discussed. They found a route which their successors have mainly followed.

Their very failures were valuable to the Americans, for they taught them where the dangers lay. So good were the locomotives and some of the implements that the Americans when they came along made use of many of them. And they removed hundreds of millions of tons of the cutting, all of which was of admitted use to the Americans. It is well to keep these points in mind and not allow them to be obliterated by recollection of the French disaster.

But all was not lost to France. Hopes were held that maybe under new organisation the work could be resumed. A fresh Canal Company was formed, which took over the workings. With a capital of under £3,000,000, and, by the usual means, the time of the concession when the Canal must be opened was extended to 1904. Thus there were ten years left in which the Canal must be finished, or the concession would lapse. The three millions disappeared. Yet it was decided to proceed.

In the meantime the United States was busy. The misfortune of France was to her benefit. Why not, after all, push on with the Nicaragua Canal? Let America build it, and let it be jointly owned by the United States and Nicaragua. As for the Clayton-Bulwer Treaty—tush! America and Nicaragua made another treaty, ignoring Britain. If Britain did not like it the Americans were not going to worry them-

TWO OLD FRENCH DREDGERS; SHOVEL BEGINNING TO WORK IN THE BACKGROUND, JUNE 20, 1910.

selves. Then came a change in the American Presidency. Mr. Arthur went out and Mr. Cleveland came in. One of the first things President Cleveland did was to break the treaty with Nicaragua, not because he objected to a canal, but because "whatever highway may be constructed across the barrier dividing the two greatest maritime areas of the world must be . . . removed from the chance of any domination by any single Power." So over went the cardboard castle erected by previous Presidents of a canal under American control alone. There never was such vacillation.

Gradually, however, the old idea regained supremacy, that if there were to be a canal America was the country to make it. The Maritime Canal Company of the United States received Government recognition. Then a subsidiary construction company was formed with a capital of £2,500,000. But when Americans were definitely asked to provide the money to do what they did not want other people to do, they were not so ready. The shares had to be sold at fifty per cent. discount, so that only £1,250,000 was obtained.

In June, 1890, work was begun at Greytown. Wharves were built, warehouses were erected, engineering material was purchased. Then in three years the bottom of the moneybag was reached. More was asked for. It was not obtained. The

United States Construction Company went into liquidation. So the first genuine attempt on the part of America to do something ended in bankruptcy.

But the belief that a canal must be constructed was fixed in the American mind. The Senate and Congress debated for years; but they could not come to an agreement about guaranteeing the necessary expenditure. Small sums, however, were voted for commissions to visit the Isthmus and report. The Nicaragua way was still approved; but the Nicaragua Government, weary with the constant procrastination, gave exclusive privileges to an English company to run ships on Lake Nicaragua and the San Juan River. This once more spurred the United States into a show of action. Great American capitalists were disposed to raise the necessary capital if they were sure the Government would give them protection—for the Clayton-Bulwer Treaty was still in the offing. But the Spanish-American War broke out in 1898, and there was delay. When, however, the war was concluded, the American national demand for a canal was imperative, for during the war the battleship *Oregon*, to get from the Pacific to the Atlantic side, had to journey 13,400 miles instead of only 4,600 miles if there had been a canal. Indeed, three strong companies were soon in existence, fighting each other savagely to

have the right to build. There were great wire-pulling struggles at Washington. The only thing the Government did was to provide a grant of £250,000 to provide another commission to see whether, on further thought, the Nicaragua or Panama way was the better. All that occupied time, and the three companies began to get into difficulties. Nicaragua was huffed with the shilly-shallying to which it had been subjected, and was in no mood to facilitate matters.

Everybody in America was shouting out for a canal, but beyond that advance was not made. Constantly the nightmare of the Clayton-Bulwer Treaty arose. Some people said, "Get Great Britain to abrogate it." Others said, "Go right ahead; don't take any notice of Great Britain; we don't recognise that treaty." Diplomatic relations between the two countries were nevertheless quite friendly, and it was known that England was willing to come to an arrangement to let the United States go ahead. But the rushing of a Bill approving that the Washington Government should proceed to make the Nicaragua Canal on the ground that the treaty was dead was a proceeding not likely to increase amity. This time the Senate blocked the way, and the Bill died. However, diplomatic negotiations continued between Mr. John Hay and Lord Pauncefote, the British Ambassador, and an agreement

was arrived at, that the United States should construct and control the Canal, provided it was neutralised, should be open to all nations, never be blockaded, and that fortifications should not be built That ought to have been a solution. It was not.

America was once more enraged. Why, under the new scheme, a nation with which America was at war would have the right to use the Canal made with American money ! Never ! A move was made to put in a clause giving the right to America to use the Canal in time of war, but closing it against the enemy. Britain could not agree to that, and the treaty dropped. The British Foreign Minister, the Marquis of Lansdowne, expressed his full willingness for renewed negotiations. These took place, and on November 1st, 1910, the famous Hay-Pauncefote Treaty was signed and ratified.

This convention abrogated the Clayton-Bulwer Treaty. The United States had full power to build, operate, and control the Canal without any other Power having a word to say. The United States undertook the neutralisation of the Canal under several rules, of which it is only necessary to reproduce two :—

1. The Canal shall be free and open to the vessels of commerce and of war of all nations observing these rules, on terms of entire equality, so that there shall be no discrimination against any such nation, or its citizens or subjects, in respect of the conditions of the charges of

traffic, or otherwise. Such conditions and charges of traffic shall be just and equitable.

2. The Canal shall never be blockaded, nor shall any right of war be exercised nor any act of hostility be committed within it. The United States, however, shall be at liberty to maintain such military police along the canal as may be necessary to protect it against lawlessness and disorder.

That seems plain language. Yet, to the world's surprise, and to the disgust of many Americans, the time came when the United States deliberately broke both the rules. The Americans are fortifying the Panama Canal—it must be remembered the convention was drawn up with an eye on the Nicaragua route—and thousands of United States soldiers are to be maintained on the Isthmus. As to the Canal being free and open to all nations on terms of entire equality and no discrimination, the American interpretation was that what was meant was not all nations, but all nations except the United States. The late Republican party, with President Taft at its head, passed a Bill giving American ships a preference over other ships which used the Canal. Britain protested. The American answer was, " Well, the Canal was built with our money, and we have a right to do as we like."

Now, the United States had for long been foremost in advocating that international disputes, instead of being settled by the arbitrament of war,

should be submitted to the Hague Conference. The British Government regretted the United States did not interpret the words in the same way as England did; but for the sake of peace was willing the matter should go before the Hague Conference. "Certainly not," America now made reply, refusing to have anything to do with the Hague Conference in an affair that affected herself. President Taft actually declared that whatever dispute there was should be settled, not by an impartial body, but by the Supreme Court of the United States. This was conduct which, I mourn to record, made America's idea of honour a byword among the nations of Europe. Many of America's most distinguished citizens and leading journals were ashamed of what had been done, and there was an active campaign throughout the States that America should be true to her bond and say that the phrase, the Canal "should be open to vessels of all nations on terms of equality without discrimination," meant that the ships of the United States should be on level terms with other ships and should not be favoured. Happily, at the beginning of this year (January, 1913) President Taft began to yield and agreed that the interpretation of the treaty should be submitted to arbitration. But at the moment I send these pages to the press America and Britain have different ideas about the meaning of "arbitration," though before this treaty trouble

came along America accepted the usual definition: settlement by an independent tribunal.

Now to resume my tale. The Hay-Pauncefote Treaty having been concluded so satisfactorily, and with no whisper in the air that it would ever lead to trouble, the United States was in a position to consider the report of its Commission. It practically recommended the Nicaragua route over the Panama route, although it would cost more, the first being calculated at £40,000,000 and the second at £20,750,000. Here are parts of the reasons :—

"The New Panama Canal Company [French] has shown no disposition to sell its property to the United States. Should that company be able and willing to sell, there is reason to believe that the price would not be such as would make the total cost to the United States less than that of the Nicaragua Canal. The Panama Canal, after completion, would be shorter, have fewer locks, and less curvature than the Nicaragua Canal. The measure of these advantages is the time required for a vessel to pass through, which is estimated for an average ship at twelve hours for Panama and thirty-three hours for Nicaragua. On the other hand, the distance from San Francisco to New York is 377 miles, to New Orleans 579 miles, and to Liverpool 386 miles greater via Panama than via Nicaragua. . . . The Government of Colombia, in which lies the Panama Canal, has granted an exclusive concession, which still has many years to run. It is not free to grant the necessary rights to the United States, except upon condition that an agreement be reached with the New Panama Canal Company. The Commission believes that such agreement is impracticable . . . The Governments of Nicaragua and Costa Rica, on the other hand, are untrammelled by con-

cessions, and are free to grant the United States such privileges as may be mutually agreed upon."

Now I have a shrewd suspicion that the above proposal was intended to frighten the New Panama Company of France. It was not going ahead. A Nicaragua Canal would have meant that all the past labour would have been like toil and money in Panama cast to the winds. It was to the financial interest of the New Panama Company that it should dispose of its rights, and if the terms were satisfactory, to have no objection to handing everything over to the United States. As for the Government of Colombia, it did not care who built the Panama Canal. It was now not much concerned about having a canal at all. Gradually, however, representatives of the French Company and the United States Government came together. The Frenchmen did not name a definite price, but offered a memorandum of value. This was for just over £20,000,000; but the United States did not reckon the value to her of the French work already done at more than £8,000,000. Agreement was impossible. America decided to go on with the Nicaragua Canal.

Despair broke out amongst the shareholders of the New Panama Canal Company in Paris. Noisy meetings were held. Directors resigned. Everything was going to be lost. So they had to accept the £8,000,000. In view of the deal, the Commission

WHERE THE AMERICAN CANAL INTERSECTS THE OLD FRENCH CANAL ON THE ATLANTIC SIDE, JUNE 11, 1912.

revised its recommendation and advised that the Panama Canal, begun by the French, should be finished by the United States Government. Once more the path seemed plain.

But no sooner had the difficulties with the American Government and the French Company been surmounted than the American people were split into two portions as to which was the better route, Panama or Nicaragua. There were advocates for other routes, principally the old Darien way. Then there was a revulsion of feeling. What was the need of a Canal at all? But it was alleged that this attitude was mainly fostered by representatives of the great trans-continental railway lines. America was in turmoil and confusion. It was with the utmost difficulty that a Bill passed Congress, the Senate leaving it to the discretion of the President and yet inviting him to choose Panama. On June 28th, 1902, President Roosevelt signed the Bill and selected Panama. Yet even then the obstacles were not removed. Colombia blocked the way.

CHAPTER XIII

THE STRANGE STORY OF THE PANAMA REPUBLIC

Two things had to be done by the United States: (1) to get a legal transfer of the French Company's rights in the Panama Canal, (2) to secure from the Republic of Colombia a zone in Panama which would be American territory. In time the first matter was settled. The second led to fiery arguments, futile negotiations, checkmating and ultimate topsy-turvydom, which, whilst serious, had really all the ingredients of a comic opera.

The upshot was the creation of Panama. There are lots of people who believe that the revolution which snapped Panama from Colombia was engineered by the United States. Official Americans repudiate with warmth that their country had anything to do with it. The only thing, therefore, is to tell the strange story how the Panama Republic came into being, and the reader can draw conclusions quite as well as I could provide them for him.

Colombians are Spaniards, sluggish, not ardent in the development of their country, devoted to political intrigue. They had no interest in the

Canal except to get a large sum of money from whoever built it. When Nicaragua was the popular plan, Colombia was all graciousness in showing that the most sensible way was by Panama. When different parties were after Panama, the Colombians became offhand; their object was to raise rivalry so that Colombia would be able to squeeze better terms. Accordingly, what more natural than that, when the United States had decided on Panama, the Colombian Government should realise that it could not very well part with a piece of its territory to a great Power like America? Still, if it did, the recompense for its wounded dignity would have to be handsome. With the usual slowness, a memorandum accepted by both countries was drafted.

Colombia sanctioned the transfer of all the French rights to the United States. America was to build the Canal, and it was to belong to America. There was to be a Canal Zone, just over three miles wide, under Colombian government—but American administration. Both countries would maintain the police and sanitary services. The ports were to be free and canal tolls equal to all nations. It was declared that for ever the Zone should be neutral; that Colombia should protect the Canal, but have the right to seek United States help. The United States was to hand over to Colombia a sum of

£1,200,000, and after fourteen years pay an annuity of £50,000.

On the whole that seemed fair. But soon voices were raised in the United States that the terms were too liberal. The answering voices from Colombia maintained they were not liberal enough. Colombia, racked with revolution (which is its chronic state), refused to ratify. Money, however, would have been welcome; the Republic was in a financially rotten and almost bankrupt condition.

The action of the Colombian Government looked like madness. There was method in the madness. The Canal could not be built without its sanction. America was going to pay the French Company £8,000,000. If the Canal was not built the concession lapsed in 1904; then everything would belong to Colombia. That was the brilliant idea. The United States would have to pay Colombia the £8,000,000, and the £1,200,000 bonus, and the annuity of £50,000. The Colombian Government had nothing to do but lie low and say nothing, and in a couple of years the golden fleece would come to it.

It was sharp practice, but it was not Colombia's business to consider the interests of the French investors or the ambitions of the United States.

So the construction of the Canal hung fire. Americans were very sore at being flouted by a two-penny-halfpenny Republic like Colombia.

Colombia was having one of its revolutions, and the outbursts in the Isthmus were as bad as anywhere. So an American warship was sent to Colon to guard the interests of Americans there. Later, another warship was sent to Panama for the same purpose. Marines were landed. The United States had old treaty rights to hinder any interference with transit across the Isthmus. On these rights they announced that the presence of Colombian troops on the railway would provoke hostilities, and they were not going to allow them to travel. American marines picketed the line, and Colombian troops and insurgents were bundled out of trains. America's attitude towards the belligerents was, "If you are going to fight you must do it away from the railway between Colon and Panama, which we intend to keep open for commerce and passenger service."

Negotiations were reopened. Procrastination was king. A new treaty was drawn up, but Colombia hesitated to sign. America lost its temper, and said that if Colombia would not sign America would go back to its old love of Nicaragua. Colombia signed. It was a confused treaty. What stood out was that whilst the United States was to build the Canal and control a zone thirty miles wide, the sovereignty was to remain with Colombia, which was to receive £2,000,000 down and £25,000 annuity beginning in nine years. The United States Senate ratified the

treaty. The Colombian Government began to think, and refused to ratify.

Why not wait and get the £8,000,000 which would belong to Colombia if the Frenchmen did not finish the Canal by 1904—which was an impossibility even if work had been in full swing instead of at a standstill ?

Of course, there was the dread that America might take some high-handed action. The French Company was in distress. It knew well enough what game was being played. The hint was given that if the Company would give Colombia £2,000,000 of the £8,000,000, Colombia would see if it could accede to America's terms. Thereupon the United States pushed a closed fist before the face of Colombia, with a plain intimation it was seeking trouble. The little Republic smiled. But it revised its terms: £2,000,000 from the Canal Company and £3,000,000 by way of sweetener from the United States. The United States would not think of it. Still Frenchmen were wringing their hands at the prospect of their concession lapsing and the value of their property being lost. The time narrowed down to a month within which it might have been possible to renew the concession till 1910. Still Colombia was obdurate. American threats were ignored. Colombia was going to do as it liked with its own. Negotiations were broken off. The world was given to understand that,

GENERAL VIEW OF THE PEDRO MIGUEL LOCKS, LOOKING SOUTH. MAY 4, 1911.

after all, Nicaragua would be the way cut by America. Then something strange happened.

The province of Panama, in the Republic of Colombia, was discontented. The people of the Isthmus knew that if millions of money were obtained by the Government it would go to the distant capital of Bogota, and they would see little of it.

Panama had formerly been independent. It was jockeyed into throwing in its lot with Colombia ; now it began to think that Home Rule would be better for it. Besides, the abandonment of the Panama route for that of Nicaragua would dissipate the happy dream of material advantage. The Panamanians wanted the Canal. So the Separatist movement simmered. A conspiracy began to break the shackles which bound Panama to Colombia. Of course, officially, the United States knew nothing about the prospective revolution. The leader of the movement, Dr. Amador, under pretence of visiting a sick son in New York, went north. He had a conference with Mr. Hay, the Secretary of State. But how could negotiations be made with a Government which was not yet in existence ? If Panama were independent, that would be another story. Dr. Amador understood.

The Revolution was pushed on. Everybody knew what was in the wind. The day for the blow to be struck was November 4th, 1903. Two days before

it happened—an accidental circumstance, of course—the U.S. gunboat *Nashville* cast anchor off Colon. On the 3rd the steamer *Carthagena* landed some 450 Colombian troops as a precaution against a rising.

When the telegraph announced this at Panama Dr. Amador and his friends felt that whatever had to be done must be done quickly. Should the officers of the Colombian soldiers be received enthusiastically, entertained at luncheon, and something put into their wine to keep them drowsy till they were under lock and key? Perhaps that would be inadvisable. The train arrived from Panama bringing General Tovar, of the Colombian army, and his staff, fifteen men in all. General Huertas, who was up to his neck in sedition, received them. Let the fortifications be inspected at once. No, no; the day was hot; the uniforms were heavy. Would it not be well to wait till the cool of the evening? Then they all went off and had a jolly lunch. But General Huertas found it necessary to leave the room once or twice—to consult with Dr. Amador. Everything was planned. General Tovar and his men sauntered toward the fortifications. They were met by a hundred upraised rifles. "Gentlemen, you are under arrest!" said General Huertas to the Colombians. The Colombians protested. But their swords were taken from them, and under the persuasion of those

hundred rifles they went quietly to the police station and were locked up.

Three Colombian gunboats were lying off Panama. It was thought they would join in with the Revolution. The signal was made that the Colombian officers were in custody. Two of the boats did nothing. The third fired three shells, and one killed a Chinese coolie—the only loss of life in the Revolution. Next morning, however, one of the other boats hoisted the Panama flag. Hurrah! The Panama Republic was proclaimed.

The Colombian soldiers at Colon knew what had happened. They must be hurried over the railway to quell the insurrection. Certainly; but the price of the tickets would be £400, and as the money was not on hand the railway company positively declined to provide a train. The Colombians began to complain. It was fortunate the *Nashville* was at hand, so that bluejackets could be landed to preserve the peace.

If the Colombian troops used the railway they would be met by Panamanian soldiers; then there would be fighting, and fighting would interfere with transit over the line, and America was pledged to see that the line was kept open, and therefore, all things considered, it was not right to allow Panamanian or Colombian troops to travel by rail. The fact that Panamanians did not want to, whilst

the Colombians did, had, of course, nothing to do with the decision.

It so happened that the British cruiser *Amphion* arrived at Panama. As United States bluejackets had been landed at Colon, the British Consul thought that British bluejackets might be landed on the other side of the Isthmus. "Certainly not," said the United States; "we will see there is no mishap." Then, purely accidentally, it was discovered that the United States had seven warships cruising in the neighbourhood. Three appeared off Panama and four off Colon. All in order to preserve peace, the *Nashville* went along the coast to see that no Colombian troops were landed. As for the Colombian soldiers at Colon, they were conducted on board a British passenger steamer, which sailed away with them to Carthagena, the port for Bogota. General Tovar and his staff were also shipped out of the country.

Within a week of the proclamation of the Republic of Panama—indeed, on November 7th—with the papers evidently all ready, the United States officially recognised the independence of Panama, and, out of pure love for the baby Republic, declared that no Colombian or other alien troops would be allowed to land in the Isthmus. On the same day the new Republic decided to negotiate with America about the completion of the Canal. Within a fortnight the treaty was signed.

Colombia thought there had been trickery. It resented the interference of the United States. The answer, in the name of President Roosevelt, was magnificent: "He holds that he is bound not merely by treaty obligations, but by the interests of civilisation, to see that the peaceful traffic of the world across the Isthmus of Panama shall not longer be disturbed by a constant succession of unnecessary and wasteful civil wars."

Officials of the Colombian Government proceeded at once to Colon. They were not allowed to land. Then they went to the United States. President Roosevelt turned a deaf ear to the request that the United States should not interfere in the quarrel between the parent Republic and the recalcitrant child. The United States intended to guard the Panama Republic.

Thus Colombia became a foreign Power. An old treaty of 1846 was dug up. Under it the United States was bound to guarantee the Isthmus from invasion by a foreign Power. Therefore the world was called to witness that the United States, in ordering Colombia to keep out, was actuated by high and noble motives. But that treaty of 1846 was with Colombia, and guaranteed "the perfect neutrality" of the Isthmus. "Oh," was the reply of the United States, "but we were referring to the district and not to the Government. As the

Panama Republic is now in being, we deal with it and not with Colombia. And as to perfect neutrality, we meant perfect neutrality in regard to alien aggression, and Colombia is now an alien."

Some people have argued that if the action of the United States was to prevent bloodshed its first duty was to hinder the Revolution. The United States, however, took no action to check rebellion. As soon as it broke out it told the sovereign Government not to interfere, and when the Revolution was successful it instantly acknowledged the new Government. The bald fact is that, however open to criticism the Colombian Government had been, Panama was part of Colombia, and when there was insurrection the United States would not allow Colombia to stop it. When the United States was attacked for its procedure the answer was that it had acted quite unselfishly, for " it sought and secured nothing but the privilege and power of constructing a Canal which will be for the equal use and benefit of all nations." It did not quite live up to that high ideal.

CHAPTER XIV

THE BABY REPUBLIC AND ITS FATE

PANAMA emerged into the world as a fully fledged independent nation with a President and a Parliament and Ministers many. Its government was democratic. Its constitution was absolute and novel. If you got drunk you could not have a vote. If you did not pay your debts you could not be put in prison. No relative of the President could be selected to succeed him.

Two political parties sprang into existence—Liberal and Conservative. The first thing to be done was to have a national flag. That was soon arranged—four quarters, with the blue of the Conservatives in one, and the red of the Liberals in the other; and the two white quarters, signifying peace, had a blue star in one and a red in the other. Paper money was called in. The rubbishy Colombian silver was melted, and good gold and silver coins were minted. The "Balboa" was the same size as the American dollar, but half its value. Everybody was happy. The United States gave the Republic £2,000,000 for consenting to part with the

Canal Zone. But so that the Panamanians should not spend it recklessly, £1,250,000 was invested in American securities. Panama sent a Minister to Washington, and the United States reciprocated by sending a Minister to Panama.

The Republic began. When it was nine months old it was felt to be about time for it to have a Revolution of its own. It was thought by many it should be under military rule. General Huertas, swollen with importance, thought he was the centre of the world. He wanted to make Panama a great nation and himself Dictator. His egotism was colossal. On the anniversary of the birth of the Republic this Commander-in-Chief of the Army of the Republic of Panama issued a gorgeous proclamation. It is such an amazing piece of conceit that it is worth recording :—

COMPATRIOTS :

To-day is the first anniversary of our glorious emancipation ! The Fatherland figures with refulgent brightness on the roll of free and civilised nations. The ominous yoke, which oppressed our rights with its heavy weight, was cast off in a second by the sovereign grandeur of the Isthmian people, impelled to proclaim their liberty !

The Isthmian ship of state, well-nigh wrecked in a bitter sea of trouble, required the hand of an expert pilot in order that she should not be swallowed up in the frightful waves eager to devour her !

Where was such a one to be found ?

Bolivar exists no more ; no more does Washington live. The memories of these men of genius is implanted

in the hearts of their fellow-citizens. The ship of state then seemed bound to certain disaster, and with her ruin would go our last hope of salvation. But God was with us, and those who are true to Him enjoy His infinite mercy!

Behold the key of all great success!

The tablet of Fame is inscribed with all the most notable deeds of history; but it is not enough to be wise, nor to be powerful, it is always necessary to count upon the protection of God.

And it was the protection of God which spread snowy wings over the Isthmus and gave it life and being and the greatness which clothes it to-day, and the just praises which are heard in its honour.

All this without lamentable sacrifice and cruel disgraces! The high designs of Providence are inscrutable. The mathematical precision with which they are fulfilled, as well as the greatness of their accomplishment, are the unquestionable signs of His omnipotence, either to reward us or to punish us according to our merits or our faults. Hence the admirable portents which cause admiration, and are the foundation of mundane results.

Hence it was that I, a weak bit of chaff in the desert of life, possessed, at the moment of our emancipation, the efficiency indispensable to the solution of the great problem so necessary to the Isthmian family!

Completely in ignorance of the high mission which I should have to fulfil, I occupied myself solely with the discharge of my duties, which has been from my tenderest infancy the unique ambition of my whole life. Indefatigable in the fulfilment of my obligations, I devoted myself to them alone; all else that went on around me appeared to me to be foreign and apart.

So, step by step, confident ever of the goodness of the Supreme Being, I have risen in the glorious career of arms, by a rigorous path, until my career is crowned with the grade of General after so many fatigues and set-backs.

What merits I possessed in the eyes of God in order

to be chosen to bring about the wished-for fruition and to be the instrument of the Most High to redeem a people, I cannot and do not want to know.

It is enough for me to know that the mission fulfilled by me was in obedience to the Divine Impulse of the Omnipotent Will. But if neither my right nor my illustriousness is enough to explain to me the portentous result achieved by me and the army with the decisive consent of the Isthmian people, however, I succeeded in comprehending the high moral and material responsibility which has fallen to my lot, so as to know how to preserve that which the Maker has given to us, and to that end were directed all my forces, in the hope that those who collaborated in the beginning would know how to sacrifice themselves upon the altars of the most exalted patriotism in order that our beloved country should never run the risk of being involved in the indignity of bastard ambitions nor vile and ruinous methods.

And as the formation of our Republic owes itself to the concord and amity between the people and the army, forgetting misunderstandings and resentments, which to-day seem to have disappeared, I exhort ALL on the solemn day of the first anniversary of our Republican existence, that everything may be in harmony with this great day, and let us all rejoice together in the celebration of this glorious event.

Let us not forget that we have worked together and have crowned our efforts with success, and that we should still work together to the end that no parties may be established in the Isthmian family to the detriment of some and the benefit of others.

May it be, however, for the present generation, entirely sacred how much and how firmly is established the love of country, and united together let us raise our voices in unison in the magnificent cry of:

Viva the Republic of Panama.

Viva the 3rd of November, 1903.

GATUN LOWER LOCK, LOOKING TOWARDS THE ATLANTIC, JUNE 7, 1912.

Viva Isthmian Brotherhood,
Viva the Army and the valiant Isthmian people!

The Commander-in-Chief,

ESTEBAN HUERTAS.

He wrote a number of epistles in this strain. Huertas threatened to upset the Panamanian apple-cart. The United States said if Panama did not behave better there must be intervention for the sake of the peace of the world. Huertas would have to go, and his army of 250 be disbanded. They were got rid of, Huertas all the time behaving like a swaggering buffoon. He scorned a salary in retirement—for, said he, it would cast on his dignity an indelible stigma—yet he took it.

But there is still a Panamanian Army. It consists of three men and twenty officers, the most comical army in the world.

Those were the spacious days of President Roosevelt. He decided to send his well-beloved Secretary for War, Mr. Taft, to Panama to assure the Panamanians, that, despite rumours, the intentions of the United States were dovelike. Mr. Taft announced that full justice should be done to Panama. He said the United States "has no intention, in being on this Isthmus, to do other than to build a canal, and no desire to exercise any power except that which it deems necessary under the treaty to insure the building, maintenance, and protection of the

canal." Then negotiations began—broken only by banquets and flamboyant oratory—and everybody hurrahed at the future sunshine. The United States removed what the Panamanians considered grievances in regard to tariffs and the postal service.

But what about the Canal? That was the purpose for which the United States had gone to the Isthmus. President Roosevelt set up the Isthmian Canal Commission. The gentlemen composing it, with General Davis as Governor, went to Panama. The work of construction was parcelled out. Mr. John Wallace was appointed chief engineer. The first thing he did was to urge a sea-level canal, and not a high-level canal with locks. There was delay in getting out material. Sickness broke out amongst the workers. Colonel Gorgas was hurried to the Isthmus to take sanitation in hand. Dissension was going on, but there was no decision whether the Canal should have locks or be on the sea level. There were ardent partisans for each. But how much it was all going to cost the United States was doubtful.

The sea-level champions wanted to make a Straits of Panama, and they argued how easily an earthquake could destroy elaborate locks. The lock adherents maintained a sea-level canal was impossible, that at least one tidal lock would be necessary, for whilst the tide on the Pacific side rose ten feet,

that in the Caribbean Sea rose only ten inches. The answer was that as the Pacific was higher by ten feet at high tide than the Atlantic, the fall would cover forty-seven miles, or about two and a half inches to the mile, a sluggish flow which would not interfere with shipping.

Let me say that originally I was an upholder of the sea-level plan. But careful investigation has convinced me that had it been attempted it would have been a failure. It would have meant that in places the cut would have had to have been nearly a hundred feet deeper than it is. The poor crumbling volcanic soil is so unstable that there have been terrible experiences with "slides" in the Culebra Cut. If another hundred feet had had to be removed the inevitable consequence would have been that the sides would have tumbled in quite as fast as the "dirt" was removed. I know there are many men who believe a lock canal is a mistake; they have a vision of an unimpeded channel between the two oceans. Theoretically they are right. Practically they are wrong. A lock canal, with as little cutting as possible, is the only thing possible through such a soil.

Splendid though America's achievement is to-day, the beginning of the work by the American Government was almost in as much muddle as when the French were there. Washington red tape hampered

progress, and it took months to get out not only necessary machinery, but simple things that could easily have been obtained. The likelihood of the cost being far greater than had been conjectured caused a cheese-paring policy. The men on the spot were in despair. Houses had to be built, water supply had to be arranged, and appeals to Washington for aid met with tardy response. Members of the Commission were at loggerheads.

At last it was realised that some other Board of Control would have to be established. But Congress and the Senate could not make up their minds. President Roosevelt, on his own authority, dismissed the old Commission and appointed another. Fresh rules were drawn up. The original intention was to buy all supplies in the United States. That was dropped, and low price and quick delivery was allowed to decide from which country the goods should come. The American manufacturers growled. They objected to the foreigner having the same chance as themselves; besides, what was the good of a tariff if it was going to be removed? They were told, to their open surprise, that Panama was not part of the United States, that it was a foreign land, and the Canal would be "by the most sacred guarantees open impartially for international and universal use." And the Commission showed it was acting up to this by employing British coloured

labour from Barbados and Jamaica. Incidentally it may be mentioned that this labour was cheaper and better than could have been obtained from the southern States. Further, it would not rouse resentment amongst the white agriculturists of the South at their best coloured men being drawn away for higher pay. American manufacturers did not concern themselves with that. They did not mind foreign labour being utilised to cut the Canal, but they boggled at foreign machinery. As a matter of fact very little foreign machinery was purchased. The decision to keep open market was to check a ring of manufacturers forcing up prices. There was the usual political pressure, and at the end of a couple of years' agitation Congress passed an order that supplies should be purchased in America unless, in the President's opinion, the prices were extortionate. The United States purchased the Panama Railroad, and so secured control of rail and water way across the Isthmus.

Suddenly there was a flare-up. Just when all the muddle and confusion, and acrimony and wire-pulling, were expected to come to an end, Mr. Wallace, the chief engineer, resigned. He had been receiving £5,000 a year, and he was off to New York to be president of a company at £12,000 a year. Mr. Taft whipped him for abandoning a national work for "mere lucre." Mr. Wallace hotly retorted that

finance had nothing to do with his resignation; he had intended to resign in any case, and the New York offer simply came at the "psychological moment." There was open quarrelling. The Wallace supporters said he had been forced out of his position because justice had not been done to his reputation as an engineer. His critics said he had been animated by sordid motives which ought not to influence a true American. Later on Mr. Wallace acknowledged that it was impossible for him to get on with his colleagues on the Commission, and he even charged one of them with engineering the Revolution, which the United States denied it had anything to do with. He objected to Mr. Shonts because of the authority he exercised, whereas Mr. Wallace thought he himself was to be director-general. So, in regard to the Canal, Mr. Wallace "thought it better to sacrifice my ambitions regarding that work, which was to be the crowning event of my life, than remain to be humiliated, forced to disobey orders or create friction." As to Mr. Cromwell, he had too much influence with President Roosevelt and Secretary Taft, for "he was the man who brought about the sale of the Canal to the Government, and who brought about the Revolution in Panama."

Another chief engineer was found in Mr. John F. Stevens. Then there was appointed a Board of Consulting Engineers to advise the Commission.

THE PEDRO MIGUEL LOCKS: THE WEST CHAMBER, VIEW LOOKING NORTH FROM THE LOWER MAIN GATES, MARCH 29, 1912.

They recommended a canal at sea level. Mr. Stevens was in favour of a lock canal. The members of the Commission, with one exception, decided on the latter. Secretary Taft considered this decision. President Roosevelt considered it. Congress considered it. A high-level lock canal was approved.

The Commission plans, revised and revised again, did not work. Indeed, members trenched on one another's authority and jurisdiction. It was natural when strong men, holding decided opinions, came into conflict that the sparks should begin to fly. Things which ought to have been settled locally were referred to Washington, and the decision made by men who had less knowledge. Whatever the decision was, it was certain to be felt by those against whose views it had been cast that there had been undue influence and favouritism. President Roosevelt put an end to all the mischief by an imperial act. He sent out Colonel Goethals to be in absolute, unquestioned, supreme command. Mr. Stevens went home. The Zone has been under the dictatorship of Colonel Goethals. What he has said has been law. There is no court of appeal. Autocracy is un-American, but it has proved the better way.

So at last, having journeyed long through the valley of vexation and tribulation, the path was cleared of obstructions. The work done during the past five years has been one of the greatest of

American monuments. It is rarely that a huge undertaking of a public character is set on foot in the United States without plenty of stories gaining currency about "boodle" and "graft" and wholesale corruption. I expected to hear this in Panama, and subsequently when I was making inquiries in the States. Not a tittle of foundation could I find for any story of underhand financial procedure.

Indeed, once the machine of construction was fairly set running, no work was ever carried on more cleanly, straightforwardly, or with more scrupulous financial integrity. The building has been in the hands of honourable men. I write this because there is a lingering idea in some British minds that all American public works are both sown and reaped in corruption. And I write it gladly, because I am by no means convinced that American political cleverness had not much to do with the secession of Panama from Colombia.

If the end justifies the means, then America has justified itself. The work which the United States set out to do is almost done. But we had better drop all picturesque and nonsensical talk about the independence of the Republic of Panama. Independence is but a name to save the Panamanians from having unhappy dreams. Panama is in the pocket of the United States, and Panama has to do

what it is told. Panama belongs as much to the United States as Egypt does to Great Britain.

The American grip on Panama has tightened. That was the obvious sequence of the Revolution, the treaty and the purchase price. Panamanians with whom I spoke sometimes referred to American "oppression." I saw no oppression, except that the Americans will not stand any nonsense. Panama is enormously benefited by the coming of America. But the Panamanian wants to have his cake and to eat it at the same time. Panamanians are sensitive but not industrious. I found many of them bitterly complaining that the real object of the United States was to annex their country. I am quite sure that the States will not formally do that for a long time unless a Revolution should provoke such an action.

Panamanians can talk as much as they like about being an independent Republic so long as it keeps its independence passive. The United States Government is acting strictly to the letter of the agreement with Panama. But I saw plenty of evidence that individual Americans in the Isthmus regard the Panamanians with contempt as a lazy, slouching, intriguing lot. The ill-feeling is returned by the people of Panama looking upon Americans as noisy, grabbing bullies. It is unfortunate that this spirit should prevail.

The domination by the United States in Panama has created much uneasiness in the Spanish-American mind. It is all very well for America to raise the Monroe Doctrine, which is " hands off " to European Powers so far as the American continent is concerned. What Spanish-Americans object to is a policy of " hands on " so far as the central and southern Republics are concerned. Of course none of these Republics would be a match for the United States in a tussle of strength.

But though the various Latin Republics hate one another, they have a bond of sympathy in that they all hate the United States. Some of them have navies. Move amongst the American Spaniards, get them to discuss freely their situation, their ambitions, the realisation of the place which South America is going to hold amongst the wealth-producing countries of the world, and it is not long before you hear of the A., B. and C. combination—an understanding between Argentina, Brazil, and Chile that they will act together to resist United States oppression. I do not discuss the possible conclusion of such a conflict. Sufficient it is for me to point out that the possession of Panama by the United States, giving the States a quick ship-way to south-western America, has made Spanish-America realise some of the possibilities of the future.

Meanwhile the baby Republic of Panama is

independent in name only. It exists on sufferance. The most important part of its territory is as much under United States control as Michigan. America can have the rest by taking it. Panamanians—easy, slothful and greedy, have realised that. But they have brought the existing condition of affairs upon themselves. And in their hearts is deep and bitter dislike of their new masters.

CHAPTER XV

FOR GOD AND GOLD

Now, if you search the world over you will find it hard to light upon a country with a history so luridly romantic.

Had the aboriginal Panamanian been left alone in his primitive commonwealth of five hundred years ago, had not the wandering spirit of the celebrated Christopher made him the first among the adventurers of the West Indies, had he not spread marvellous tales about Panama's hoards of treasure, in this way firing the ambition of his countrymen, we should probably never have heard of Balboa or Pizarro or Cortez or Pedrarias. Nor would Drake and Morgan have secured quite the place they hold in England's maritime story.

There is no doubt that Columbus, so far as the interests of the natives were concerned, was much too effusive. The Arcadian innocence of the natives was no match for his diplomatic courtesies. He took some gold ornaments back to Spain, and enlarged upon the unimaginable wealth of the new world, and at once roused the latent cupidity of Spaniards whose

desire was to get rich without unbecoming procrastination. So reaching Santa Maria it was easy to excite quarrels with the natives. Immediately began a long and red record of blood and brutality, crime and conquest, wellnigh unparalleled in history.

Helped by the authorities at home, the Spaniards were eager to possess the treasures of this El Dorado. The glittering cargoes sent to Spain exhilarated the Castilian imagination. It was easy to move from one development to another. Holy Mother Church bestowed its blessings and its encouragement. All classes were one in thought and action. Henceforth Panama was to come under the new dominion.

There was no delay. The prize was tempting. That dashing sprig of Aragonic gentility, Alonzo de Ojeda, and the royal carver of Madrid, Don Diego de Nicuesa, were sent out to administer the government and enlighten the natives. But rebellion broke out. The two gentlemen quarrelled about precedence and power, but took good care to be united on the question of acquisition. The Catholic Church, seeing in this new land a field for extending the faith, blessed the adventurers who went forth for God and gold. These sons of Spain were duly blessed. They deserved well of their country. Priests sang their praises. Holy Church drew up a proclamation. Stripped of its circumlocutory phrasings, it told all and sundry that Panama was for the

future in charge of Saint Peter, and hinted in the polite and subtle language of the day that there were such things as punishments, not only studiously appropriate, but eminently effective, to bring the heathen within the arms of Mother Church. The natives did not respond with the joy that was anticipated. They were ill-treated and they retaliated.

The drama was gradually unfolded. Some sort of administrative principle was observed, but all the arts of duplicity and a free use of the sword were employed to advance the majesty of Spanish dominion. Brutal and unrestrained passion, horrible in its ferocity, decimated the people. Native chiefs were either made slaves or, to instil the value of submission, had their ears cut off, while their new-found masters—King, Church and People—were gathering great stores of golden plate, golden tablets, golden bracelets, and golden chains in order to fill the Spanish treasury and satisfy the exactions of ease and indolence.

Conquest so profitable became infectious. The Spanish yoke was safely fastened round Panama and its Isthmus. When Balboa was conquering the land he took with him a pack of bloodhounds. They gave him valuable assistance when he desired to assail the natives and bring them into a condition to respect him. One dog was so mighty in action and performance that his name is handed down to

posterity. It was Leoncico, which means "Little Lion." Red in colour, he had a tremendous black snout. He was so efficient with this snout that he drew a captain's pay.

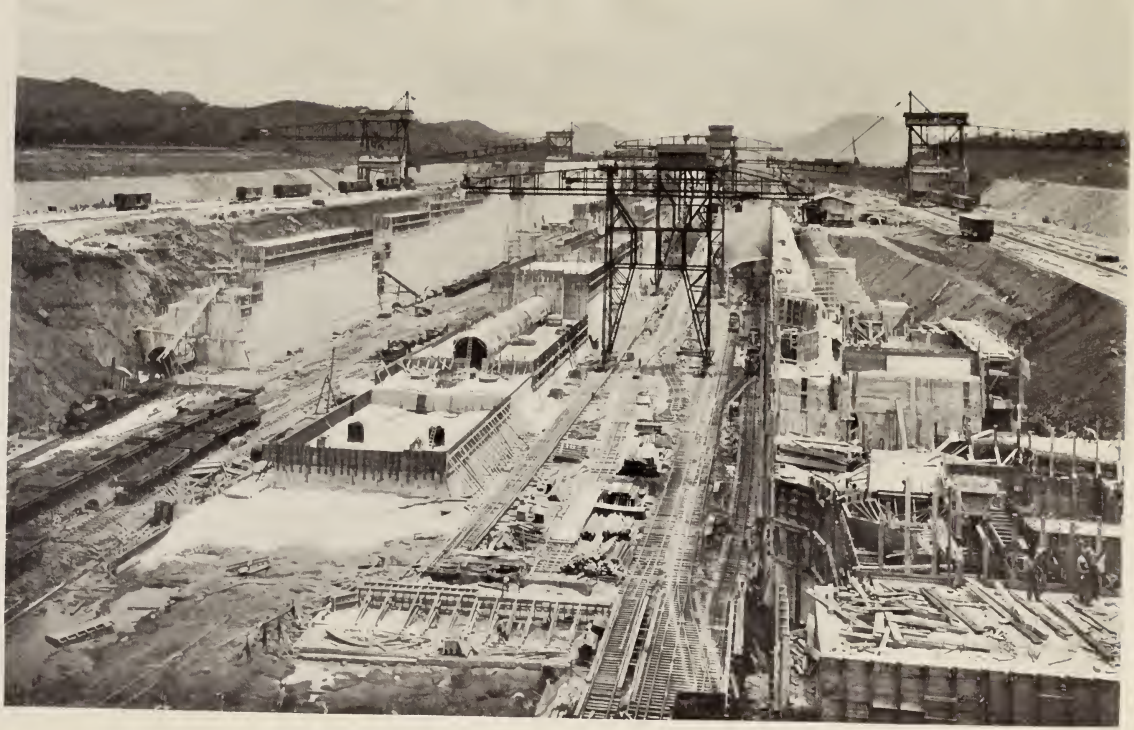
After Balboa was killed by his rival Pedrarias anarchy prevailed. Hunger for treasure was rampant. Sacking and torture went on without stop. Melted gold was poured down the throats of the obstinate Panamanians. Christianity, lust and slavery went together. The Spanish king, placated with presents, was too far off to understand matters even if he wished to. In 1521, however, the bishopric was taken from Santa Maria and conferred upon Panama.

The conquest of Peru, which was of such immediate interest to Panama, the search for the fabled El Dorado in the interests of the "Holy Trinity and Our Lady the Blessed Virgin," the episcopal blessing bestowed upon Cortez and his captains, the authority given them to "discover and subdue the countries and provinces belonging to the Empire of Peru," strengthened by the public administration of the sacrament in Panama, struck the public imagination.

By what means could the conquest be made? Any means. Cortez and company stuck at nothing. Panama (said they) was poor. Peru was rich. That excited cupidity. The pessimists had to stand down. Cortez went to Spain. Charles the Fifth, delighted to see him, granted him authority.

With only 180 men and 27 horses his little fleet left Panama, after a religious service in the cathedral. They took with them a ready-made bishop for the Peruvians. He called himself "Protector of the Indians of Peru." Others followed. Peru was captured. Fabulous riches were secured. Panama, as the Spanish centre, enjoyed prosperity. More than that, it developed luxury. Thousands of Panamanians regretted they had not gone with the expedition. In Peru there were the jealousies usual among the Spanish leaders on such occasions. But the King and Church settled all that. Peru had come within the dominion. God and gold had triumphed.

It can well be imagined that anyone in the general flush of such a conquest who asked by what means it had been attained would not be exceedingly popular. It required a firm and steadfast courage to talk about Christian mercy under such circumstances. Don Fray Bartholomé de Las Casas took the risk. Bitter enemies surrounded him. He had accompanied expeditions against the natives. He had seen things for himself. He protested. He appealed. Men raged against him. On all hands he was threatened. He went to Spain and converted the Cardinal. The result was a code of laws for the Indies. This code did not satisfy Las Casas, but slavery it practically abolished.



MIRAFLORES LOCKS, LOOKING NORTH, JUNE 14, 1912.

The truth gradually came out. Reports of massacres, of cruelties, of atrocities harried the minds of men. The Church was touched. The old order of things had a rude shock. It trembled, and the more it trembled the more did those who supported it abuse Las Casas.

Atrocities had been unspeakable. Women and children were fastened with chains, then scalped, then beheaded. One high official was accustomed to travel about on an ass. The animal amused the Spaniards, but frightened the natives. Whenever he brayed, which he did loud and often, they fell down in appalled wonderment. They were taught to believe that when he brayed he was asking for gold. Simple children, they accepted the statement. Not only did they give the ass all the gold ornaments they had, but they robbed the graves of their ancestors to satisfy the animal's cravings.

Things, however, were soon to change. The crimes of which the Spaniards had long been guilty were not lost upon Europe. England, particularly, had watched Spain's growing power in the West Indies. Englishmen cast longing eyes on this richly laden country. Trying to open up trade, they found the Spaniards repudiated any desire for commercial intercourse. They had a monopoly and wished to keep it.

England was determined to upset the arrange-

ment. The resolve was not unmixed with religious motives. Protestantism versus Roman Catholicism lost nothing as a cry in those days amongst people whom the Spanish monarch tried to annihilate by means of the abortive Armada. The famous Drake started the ball. He had taken his trading vessel to Vera Cruz, Mexico, in about the year 1560, and tried to trade, with the Governor's permission. Induced by the Governor, he dropped anchor, but with his crew was put into prison, and his ship and goods confiscated. When liberated he did all he could to obtain compensation from Spain. The refusal he met with was an act for which Spain had every reason bitterly to repent. Filled with a deep-rooted hatred against a system which appreciated robbery and injustice as a first quality, Drake set to work to avenge his wrongs. First he sailed to the Indies to get information. Then he got Queen Elizabeth to favour his enterprise. She was nothing loth. He not only received letters of marque empowering him to act against the Spaniards, but encouragement from the Court and its influential followers. He became a "privateer." The difference between that title and "pirate" is small. It is only social. It gave him the right to appear at Court.

The people of Plymouth turned out to wish him good-bye and good luck. He had seventy-three men

and boys on board, as well as artillery and all requisites. Arriving at the Isthmus, he attacked Nombre de Dios. After very little fighting, mostly done by night, the place fell into Drake's hands. There was practically no defence. In the King's treasure-house the invaders were amazed to find enormous bars of silver. While arranging to take them away Drake fainted from a wound he had received, and his men had to hurry him on board, and left the silver behind. Cartagena then received attention, but being too strongly fortified for capture by assault Drake contented himself with doing damage to shipping.

These two enterprises created great excitement all over the Isthmus. Spain had to reckon with a new power. Indians and negroes, animated by hatred of the Spaniards, made an alliance with Drake, and with their assistance he attempted the capture of a treasure train coming from Panama. When everything was propitious the scheme was spoilt by a drunken native. Another visit to Cartagena followed. More shipping met with destruction. Cruising up and down the coast various depredations were committed.

Soon afterwards, with the assistance of some French pirates, a raid was made on a treasure train near Nombre de Dios. Drake sailed away with a large haul of gold. On his journey back to Plymouth

he mastered over a hundred Spanish merchant ships, following up his enterprise later on by returning to the Isthmus and sacking several towns and going home with the booty.

When war broke out between England and Spain he became an Admiral of the English Navy, made some heavy exactions on San Domingo and Cartagena, failed to take some fortified places, and was particularly unsuccessful in trying to take Panama. This he tried to do from Nombre de Dios. His men lost themselves in the jungle. His sudden death when he was on the point of attacking Puerto Bello, in January, 1596, disheartened his band. They sailed home. One of the Spanish priests, describing his death, wrote: "His tongue congealed, his mouth became scarlet, giving issue to that lost soul that hastened direct to hell."

Still the Caribbean Sea continued to be swept by these "heretical pirates." Captain William Parker took Drake's place. Like Drake he started from Plymouth, and off the Isthmus caught a pearl ship and ransomed a Portuguese slaver. Following with the capture of Puerto Bello, he removed great spoil and just missed intercepting a treasure-ship.

All these enterprises greatly disconcerted the Spaniards. Even the Pacific was not proof against the presence of the English. Oxenham, who had been

an officer with Drake, crossed the Isthmus with a chosen band, sailed about in the Pacific, and, capturing a small sailing vessel, was able by its means to annex one of the "gold ships" which carried the bullion from the mines of Peru. His daring seems, however, to have come to nothing. Some of his crew were executed in Panama. Others soon inhabited Spanish prisons.

Pearl fishing was carried on under the protection of a Spanish man-of-war. It was necessary, for pirates were busy and pearls were profitable. Sometimes the pirates got the worst of it, and the result was summary extinguishment. All nationalities found the life attractive because it was lucrative if they took care of the spoil—English, French and Portuguese. One pirate, under the assumed name of Brasilliano, hated the Spaniards with a frenzied hatred. Whenever he caught any of them he had a habit of roasting them alive!

The whole system of piracy seemed to be regarded by the majority of those who took to it as a means of devilry and debauchery. Brasilliano's crew, for instance, dauntless in a fight, and capturing enormous booty, threw most of it away in a few days' drinking and in most foolish extravagance. They were known to spend in one night as much as 3,000 pieces of eight, which is £500 in English money, and be destitute the next morning. They had no regard for property.

Their good qualities were shown in their readiness to help each other in all respects. Laws or customs were curious in regard to them. A man to whom a pirate owed money could sell him in discharge of the debt. This actually happened in Jamaica in the case of a master. He was Dives in March but Lazarus in May.

As time went on piracy increased. It was a sad torment to the Spanish kingdom. Not only had the Spaniards fewer ships sailing, but their routes were changed. The traffic which had gone to Panama via Puerto Bello was now taken by way of Cape Horn. But where the traffic was there went the pirates. With fewer ships to catch they robbed and attacked the towns, burnt many, and took the leading inhabitants on ransom. Consequently the Spanish were continually changing their plans. But whatever their arrangements were, there bobbed up the pirates and the buccaneers.

These buccaneers were held in greater terror than the ordinary pirate. They were mere vagabonds, the riff-raff of the lowest class of the northern nations. Detesting all Spaniards with an inborn hate, they harried the commerce of Spain and terrorised the coast towns. Some of the Spanish Governors swore they would give no quarter if they caught them; but the people often represented they would never

be safe, for the buccaneers would surely have their revenge. The hate thus engendered was fiendish on both sides. The French buccaneer, Francis L'Ollonais, who commenced life as a slave, treated his Spanish prisoners with inhuman cruelty. He beheaded the lot. He told the Governor of Havana his countrymen need not expect any mercy from him, and that he hoped to have the pleasure of dealing with him some day. A Spaniard who did not confess where his treasure was hidden was cut to pieces with a cutlass. Others were put to the rack. At Puerto Caval L'Ollonais cut one prisoner's heart out before his companions, threatening to do the same to all of them if they did not do as he wished. He and his crew killed 500 Spaniards at Maracaibo, and took 650 prisoners, including slaves, women and children. Many of them were starved to death. L'Ollonais's practice was to put all the bodies in boats, take them out to sea and sink them. His end corresponded with his own practices. He was captured at Darien by some Indians, torn limb from limb, and thrown in pieces into the fire! Some of his band shared the same fate. On one occasion they had to kill and eat the monkeys they found in the woods in order to satisfy their hunger. On another occasion their shoes and the sheaths of their knives and swords had to do duty for a meal.

Amid all these troubles Panama went on her course free from the storms and stress which swept over other parts of the Isthmus. Her wealth had leaped up with enormous bounds. She became the envy of the East. Treasure from her poured into Spain. The last attempt to rifle her treasury had failed ingloriously. A handful of desperate men, all Englishmen, tried it, but the jungle, the rivers, and the ever-present fever decimated them. They even got near enough to challenge the city, but on the stroke of triumph they failed. " Under whose orders are you acting ? " wrote the Governor when he heard they were coming ; to which Captain Sawkins replied, " All my company are not yet come together, but when they are we will visit you at Panama, and bring our commissions on the muzzles of our guns, and then you shall read them as plain as the flame of gunpowder can make them." Captain Sawkins met with his death at a breastwork. Many of the band dispersed, and the majority wandered down as far as the Straits of Magellan, eventually returning to the Caribbean Islands. There they met with some other corsairs, gave them their boats and broke up. Some returned to England disgusted with the sum total of their enterprise. On the complaint of the Spanish Ambassador, Captain Sharp and his comrades were tried for conspiracy, but they succeeded in convincing the court they were

THE LOWER MAIN GATES IN THE PEDRO MIGUEL LOCK, SHOWING OUTLET IN THE WALL, MARCH 28, 1912.

perfectly honourable, and so escaped legal consequences.

And then a master mind arose, more skilful and determined than most of his kind, and crushed the old city at the very summit of her prosperity.

CHAPTER XVI

THE SACK OF PANAMA

To read about Panama in the olden days is like recalling the dreamy imaginings of Eastern tales. Its mule trains bearing gold and silver and precious stones, its bullion-laden ships, its gay markets, its rich merchants, its colour, its life, make a fascinating, changing, phantom picture. Panama in those distant times was characterised by what wealth often brings—luxury and licentiousness.

Friars and priests sang their Kyrie eleisons and chanted their paternosters in its primitive chapels. The elementary trappings of justice and equity gave the city a sense of comparative dignity. Precious ornaments adorned its churches and helped to give a meretricious display to its festivals. Houses of the rich, though insignificant in size, exhibited a refinement which indicated prosperity. Tropical gardens with gorgeous colourings, and blossoms loading the air with heavy fragrance, gave entertainment to its people. Cool and pleasant breezes from the southern seas made its brilliant starry nights mindful of some Eastern Eden.

Yet there brooded over it the horrible monster of disease and death. Fever sprang from its swamps like an avenging Nemesis. The pestilential heat which was Panama's summer affliction swept away thousands. The noisome, unhealthy streets fitly matched the gambling and the crime of unrestrained viciousness.

Can it be wondered at that such a spirit as Morgan, the Welsh pirate, the very embodiment of the gentleman in the picture-book, should have looked with envious eye upon this unsuspecting treasure-house, and at one fell swoop have wiped it out? And with all its treasure, Panama made little preparation to defend itself. The soldiers it housed—and they formed a considerable portion of the population—possessed the enervated qualities of their race. The castles and forts were weakened by the perpetual corrupt practices of the governors. There was no one to restrain them, and as for Madrid, the authorities of that distant city cared little so long as they could feast their eyes with dancing delight upon the heavily-laden flotillas which sailed up the Tagus with the wealth of the Indies.

It was a daring conception of Morgan's, for it involved enormous dangers by land and sea. But this dauntless chief of buccaneers was the very man to face and overcome them. He possessed the cool caution of a general and the pluck of a sailor

desperado. It was done, too, with a mere pigmy band, fearless, no doubt, but small enough to excite amazement and almost incredulity that it could have accomplished so much.

Morgan was a man of action and of decision. First he gathered together ships and boats to the number of nine, and 460 military men, under promise of obtaining riches beyond their wildest dreams. Keeping to himself the object he had in view, he made for the coast of Costa Rica, and on landing declared his intention to capture and plunder Puerto Bello. It was a doubtful enterprise, inasmuch as the place was one of the strongest of all the coast towns in the West Indies. Morgan's band expressed fears lest it should fail. Encouraged, however, by Morgan's determination, they entered upon the task with loyal enthusiasm.

Thirty miles to the west of Puerto Bello they landed on this desperate enterprise, and proceeding up the river by night in boats and canoes, reached the outposts of the city, guided by an Englishman who had been a prisoner there for some time. Cunningly capturing the sentry, they extracted the information they wanted from him under various threats. Coming to the Castle of Puerto Bello, they surrounded it in order that no one should escape.

The place was garrisoned by 300 soldiers. Morgan threatened to slaughter all of them if they did not

submit. They refused, and, beginning to shoot, they started a desperate conflict which ended in their complete defeat. As good as his word, Morgan placed all of them in one room—officers and men—and blew them to pieces with a keg of gunpowder. Then, turning to the city, one party ransacked the churches, finding rich stores of ornament and precious jewels, and various treasure concealed by the inhabitants; and another party commenced a tremendous assault upon one of the other castles. Vigorous resistance was offered, and for a time, the result being uncertain, Morgan despaired of success. As a last resort he commanded fireballs to be used. The Spaniards replied with stones, powder pots, and various combustibles. The turning point came when he ordered a number of priests and nuns from the city to fix against the walls of the castle some hastily contrived ladders, and then called upon the Governor to surrender. The priests and nuns prayed the Governor by all the saints in Heaven to do so, and thus save his life and their own. But he indignantly refused, and, continuing to fire, killed several of the invaders. Whereupon Morgan's men ran up the ladders with fireballs and powder pots, took the castle, and killed the Governor, who preferred to die as a soldier rather than be hanged as a coward. Having gathered the prisoners together, Morgan's band took to debauchery, as was their custom, and

became so helplessly drunk that the garrison could have killed the whole of them had the least courage been left to them.

Then the city was ransacked for booty. Some of the prisoners were tortured so cruelly that they died. Others, on pain of death, surrendered all they possessed. Threats were issued that Puerto Bello would be burnt if ransom were not forthcoming. The Governor of Panama sent a small relief force which was ambushed and ran back to the City. The Governor, safe at a distance, sent a warlike message threatening the buccaneer with "no quarter." Morgan replied in terms of ridicule, and repeated his threat, whereupon the Governor, thinking it expedient not to be counted as obstinate, left it to Morgan and the Puerto Bellonians to settle it among themselves. The city did so with alacrity. Morgan was paid 100,000 pieces of eight, in other words, £25,000.

His success is said to have filled the Governor of Panama with admiration and astonishment—admiration at his courage, astonishment that a stronghold like Puerto Bello should have fallen into his hands. "Let me see a sample of the weapons you have used," he wrote in a message to the buccaneer. A pistol and some bullets were forwarded in reply, with an intimation from Morgan that the Governor could keep them until he called upon

him in Panama City, which would be very soon. In answer to the threat the Governor presented Morgan with a gold ring, accompanied by the assurance that if he really meant to try his hand at Panama he would receive a very warm reception, and warned him not to make the mistake of thinking that his city was anything like Puerto Bello.

Morgan sailed away with his booty to Cuba, and in a quiet nook counted his capture to be 250,000 pieces of eight, or £60,000 in English money, besides silks and other things, most of which vanished in the usual debauchery.

While this extraordinary exploit produced trembling fears and quaking doubts throughout the Spanish dominions, in piratical and other quarters Morgan won the reputation of a hero. The Welshman's name was on everybody's tongue. All the wandering desperadoes on those seas found in him the lodestone of their inclinations. They clamoured for fresh enterprises. He promised to lead them. Which was it to be—Cartagena, Vera Cruz, or Panama? It fell upon Panama.

Soon getting to work, the buccaneer succeeded in collecting the biggest pirate fleet that ever sailed the seas—nearly forty ships of all kinds. Men flocked in from all sides. More than two thousand of the boldest, most bloodthirsty and most brutal pirates

came under his admiral's flag, all inspired by the bitterest hate against Spanish authority.

On October 24th, 1670, he was ready to move. Events quickly developed. Unprotected places near Cartagena were rifled for corn and meat. Horrible tortures were practised on the inhabitants to compel them to disgorge their hidden wealth. Robbery and cruelty were unrestrained.

Off Cape Tiburon Morgan called his men together and gave them an address which was lurid in its frenzied dislike toward the Spaniards. It was received with zeal. An agreement was drawn up. He himself was to have a hundredth part of all the band got, and according to rank so would the booty be. The price of losing two legs was fixed at 1,500 pieces of eight (£375) or fifteen slaves; one leg or a hand at 600 pieces of eight (£150) or six slaves; one eye, 100 pieces (£25) or one slave. A special act of bravery was worth 50 pieces, or £12 10s.

The cry was then for Panama. It was difficult to get at, being so far from the Atlantic, and no one in the fleet quite knew the best route to take. But hoping to find help on the Caribbean Island of Old Providence, the pirates sailed thither, only to meet with disappointment and to find that the Spaniards barred the way.

This was the first check to their progress. The Spanish battery plied them with shot. The weather

becoming of the worst possible description, the task of capturing the garrison was of enormous difficulty. Those who had landed found food scarce. They were wet to the skin. Had they not been accustomed to the roughnesses and hardships of such enterprises the expedition would have collapsed there and then. Seeing it was a time for prompt decisive action, Morgan frightened the Governor into submission by threats of torture and death ; and, in order to please his vanity, actually engaged in a mock assault upon the castle. Thus the Governor preserved unsullied his reputation for a soldier's bravery, which, to his countrymen, had only given way to invincible pressure.

A quantity of powder and ammunition came into Morgan's possession. The fortifications, which in other hands than the Spaniards would have been impregnable, were destroyed. Finding some Spanish pirates in the prison who knew the way to Panama, they were added to the band. So the expedition moved on.

Keeping his object as secret as possible, Morgan reached the Spanish castle on the banks of the River Chagres. To take it was a difficult job. It was well fortified and could not be approached under cover. Nothing could be done except a furious frontal attack. Fireballs were used. The assault was desperate. It was defeated. But accidentally the castle was fired,

and amid the flames the band clambered over the walls and engaged in a hand-to-hand fight with the defenders, some of whom jumped into the water. The success of Morgan so far was assured.

In Panama the news created a sensation. To all Spaniards Morgan was a terror. They knew what to expect from him. The Governor had not forgotten the threat he received after the fall of Puerto Bello. Now that Morgan was only a few miles from the city his anxiety was great. He had heard from a deserter when the expedition started that Panama was Morgan's object, and he had arranged to protect the city with over three thousand men, which was a large force in those days. He had ordered a number of ambuscades to be placed in the trails in the jungle. Ammunition and provisions had been brought into the city. Every preparation was made for a determined resistance if the famous bandit did come. Could he come? That was the momentous question. Could he pass through the jungle—that place of mystery and horror which had long defied man's efforts and refused to yield to him its hidden treasures?

No place could be better termed "the receptacle of men's hopes." If its swamps did not kill, its storms, its insect life, its vegetation, and its tantalising trails stood as a warning against ill-directed ambition. Its natural tropical beauties—tree and fern, vine and

creeper, orchids and daffodils, moths and beetles—supplied a charm of colour, yellow and green, crimson and white, which inspired the fascination of awe and worship. But to Morgan physical obstacles were of small account. Leaving his ships in the Chagres he moved towards Panama in command of 1,200 men, on January 8th, 1671, with five boats and over thirty canoes. Difficulties in getting food were experienced. Every likely place where it could be found was deserted by the Spaniards, who carried away all provisions. At Cruz de Juan Galligo the waterway was obstructed by trees. The difficulties of progress by the river increased, and it was resolved to take to the land.

Getting into the jungle they found it almost impossible to go on. There was every danger of an ambuscade. The vegetation was so dense they were in the sore strait of being completely lost. They had to take to the river again, and succeeded in getting as far as Cedro Bueno. Their sufferings from hunger could only be relieved by either smoking or chewing tobacco.

Reaching Torna Cavallos, they found that place was deserted. So driven were the band for food that they had to eat some leather bags which the Spaniards had left behind. Their sufferings became intense. It required all the tact and courage of Morgan to induce them to proceed. Coming to

Barbacoas they found some meal and wheat, and, thus exhilarated, moved on courageously. Next day they were compelled to devour the leaves of the trees and the rough grass of the jungle to satisfy their hunger. They were in a desperate plight. Then a large quantity of maize was discovered, which many of the men ate dry. An hour or two afterwards they met Indians, who jabbered at them defiantly and then vanished as quickly as their legs could carry them.

At last, after much doubt about going farther, they arrived at Cruces, only eight miles from Panama. That place, too, being abandoned, they fell to eating the cats and dogs which had been left behind. It was either that or nothing. Wine and bread were afterwards found in the royal stables, but wine and cat, or wine and dog, associated together in the human stomach not agreeing, scores of the pirates became ill.

Being now so near Panama it was necessary to observe caution. It was known that Spaniards and Indians were in concealment. As the paths were difficult a catastrophe might take place at any moment. The wisdom of wariness was at once proved by a sudden Indian attack with arrows. Farther on there was a desperate encounter.

Still Morgan's band went on, driving the Indians before them, encountering tropical rainstorms, en-

during the sun's suffocating rays, wandering through the tangled vegetation of the jungle, until at last from a hill they beheld the western sea and shouted with joy.

They had accomplished the almost impossible. They had crossed the Isthmus.

Picture the state of things in Panama. The scorn poured upon "those dogs" (*perros Ingleses*), the inflamed indignation of the unfortunate Governor, the dazed and stony fatalistic apathy of the flabby inhabitants, the haste with which riches were huddled away in ships and warehouses, in cellars and tanks, the awful apprehensions of the ecclesiastics, the priests and the nuns, in whose view a pirate was a monster as immeasurably bad as five thousand imps from Erebus.

Conceive how the Governor marshalled his forces—400 cavalry and 2,500 infantry, all true Spaniards. How valiant they looked when drawn up on parade, and after an eloquent appeal to their patriotism how they waved their plumes and cried "*Viva el Rey!*" Whereupon the populace went home and felt that they were safe. Sixty Indians and a number of negroes were a squad unto themselves. In addition there was the medley *posse comitatus*, who, never having attended a drill in their lives, could muster more in numbers than they represented in military knowledge.

And all the while Morgan and his men were dining as they never had before during the expedition. They had come across a quantity of cattle and were killing and roasting and eating them. They danced a flippant fandango, safeguarded their camp, played the trumpets, beat the drums, and went to sleep dreaming of Panama and plunder in the morning.

The night passed, and the day of trial dawned heavily. The forces of Panama were early astir. Drawn up in battle array they had a formidable appearance. If Providence is always on the side of the biggest battalions they were invincible. But that kind of philosophy Morgan was not accustomed to. He started the fight with volley firing, and having succeeded in parting the enemy's cavalry from the infantry, he had really decided the issue before the Spaniards were aware of it.

They, on the other hand, tried the ancient trick of driving the wild bull at the pirates. But the bullet was too much for the bull. As the music of battle had no charms to soothe the savage beast, the bull ran away and met with a sad, inglorious termination. Still the fight went on furiously. The greater part of Panama's forces being killed, the rest made themselves scarce. The determining conflict shifted to the city entrance. Here the pirates met with resistance. They suffered severely from the battery which had been erected. Coming to close quarters,

however, their desperate valour was too much for the Panamanians. They inflicted great slaughter, leaving 600 dead and numbers wounded on the field as they marched into Panama with the pomp of triumph.

Thus after only ten days Morgan conquered, and though the world was electrified when it heard of the fall of Panama and the means by which it was done, it was still further astounded when the sack of the city was told. It will probably never be known at whose feet this crime of destruction should be laid. The chaotic life-conditions of those days, and the disturbing elements of almost daily revolutions, upset all plans to settle such a doubt. All that is known is that Morgan lost no time in laying his schemes and carrying them out relentlessly. He knew the weaknesses of his men, their inclination towards debauchery, and the certainty of violent reaction from the starving life they had been leading. He knew of Spanish treachery. He feared poisoned food and poisoned wine. He saw that if these fears were realised he might after all fail in his object. Issuing strict orders to stop drunkenness, he felt he was guarding against the only danger that confronted him. He called his men together, and placing the city under a kind of martial law, immediately began to exercise the control of a despot and the invincibility of a Red Rover Republican.

Every means of leaving the city was stopped. Ships in the harbour were seized. Large bodies of the pirates ranged round the country to find those who had fled. Woods, mountains, and the jungle were searched. Scores were brought in — men, women, children and slaves. They were examined. They were tortured. If the poor creature could not or would not tell where his treasure was hid, no man escaped the risk of the rack. Anarchy reigned.

Despite Morgan's orders, the pirates succumbed to Panama's temptations. They got drunk. They recognised no orders. Vice held them. When the fit wore away, and Morgan's became again the supreme master mind, the search for riches started afresh. Torture upon torture; old and young, rich and poor, nobody suspected was spared. It was the pirates' sport, their recreation. A special object of contempt, priests and nuns were subjected to all sorts of indignities. No woman was safe. Morgan became as bad as the rest. The story of his treatment of the wife of a leading city merchant stands out prominently, if only as an illustration of her impregnable opposition to his blandishments.

The horrors of those days, when the lurid light of fire illuminated the city, can only be imagined. The meagre houses of the poor, the warehouses of the merchants, the palatial residences of the rich,

provided substance for a bonfire. For days these timbered structures burned. Men tried to stop the ruthless destruction. With that object houses were blown up. Others were pulled down; but all to no purpose. Food, treasures and life all went together. Hundreds of slaves hiding in the cellars were burned to death. The priceless ornaments of the churches went the way of destruction. Amid the smoking ruins the pirates found large quantities of gold, silver and precious stones to add to their booty.

It was now time for Morgan to go. He would have been better pleased had he captured all the gold and plate, altar pieces and paintings which decorated the churches. But much of these riches had been shipped away while his men were drunk. He sent a ship after them, but failed to find them. He contented himself with ravaging the islands of Taboga and Taboguilla. Packing away an enormous spoil, and checking an attempt of numbers of his men to start a big expedition on their own account, he left the ruins of Panama after three weeks' stay. He was accompanied by a long procession of men, women, children and slaves. Only for ransom would he liberate them. If they failed to get the money they would go into slavery in Jamaica. No money meant no mercy. Some paid. The others went on with him to the castle of Chagres. What became of them is left in doubt, for Morgan, quarrelling with

his men over the division of the spoil, left the place secretly and most of the band had to look out for themselves.

The feeling of horror which crept over Europe when the sack of Panama became known could only have one result. Piracy and buccaneering had to stop. When he returned home Morgan, however, was honoured because of the injury he had inflicted on Spain. When the English Government raised Morgan to knighthood, he was set to the work of extirpating those of whose machinations none knew better than he.

Panama was left in its ruins. Nature has covered them up. Its spirit appears in the new city seven miles away from the site of desolation. But, build Panama where they would, the flavour of romance seemed to be interwoven in its very life. It had lavished upon it the best accommodations and embellishments of a modern city. Great sums were spent to make it impregnable against such gentlemen as Morgan—Sir Henry Morgan. Corruption and intrigue, peculation and speculation, and dramatic revolutions of startling suddenness, wormed into its life and made it the centre-spot for all sorts of schemes, either designed for the good of mankind, but more likely for the benefit of a more limited coterie.

Take the case of William Paterson, already men-

tioned in earlier pages. He came from Scotland, where he ministered to the faithful. He had ideas, schemes, visions, and he tried to carry them out. One of his conceptions was to encourage trade with foreign parts. He wished to utilise the resources of the Isthmus and make it the centre of a great eastern trade. There were to be great ports, and all the necessities of a big commercial enterprise.

Paterson was before his time. He found all Europe lagging behind him. The world was against him. But at home in London this man of forty helped, in 1691, to found the Bank of England—a testimony to his financial ability which it would be hard to excel. And his foreign scheme was always bobbing up. The Scottish Parliament helped him by passing an Act to encourage foreign trade, and afterwards another measure giving " The Company of Scotland " power to trade in Africa and the Indies, with a monopoly for over thirty years, exemption from taxation for twenty-one years, in return for an annual presentation to the Scottish Crown of a hogshead of tobacco. Money for the scheme rolling in, the East India Company became alarmed. The English Parliament outlawed Paterson's company in England, and the subscriptions from England had to be sent back. All Scotland came to Paterson's aid, and the money he required was soon found. But a serious hitch occurred. The banker failed.

As Paterson was closely associated with him, he was dropped, and the other directors went on with the scheme in their own way. The whole thing was remarkable. Ships were built, doctors appointed, provisions, guns, Bibles and catechisms purchased. Colonists were called for. The bait was fifty acres of agricultural land, fifty square feet in the chief city of the colony, and a house built by the company at the end of three years.

Then the enterprise became dramatic. A furious faction fight for mastery ensued between the Church and Kirk sections. The Kirk triumphed after some tribulation. Business men looked on amazed. Like Brer Fox, Paterson lay low. Accompanied by his wife, her maid, and his clerk, he went out to the Isthmus as a gentleman volunteer. Fraud entered, and suspicion followed. Instead of six months' provisions there were only enough for two. Instead of Panama their destination was to be some island in Acla Bay. Immediately a disgusted director resigned Paterson took his place. Reaching Acla Bay, the island was found. The Indians gave them a cordial welcome. The colony began its existence, and New Edinburgh was brought into life. But when the time came to decide who should direct the colony there was uproar. It subsided. Each member of the council was appointed for a week. And then came a terrible experience.

Death swept over the brethren. The pious and the profane quarrelled about religion. The God-fearing members of the Kirk ascribed all their troubles to the infidelity of the old soldiers. The natives, expecting them to make war upon their bitter enemies, the Spaniards, became impatient. Spain, resenting their presence, made a reconnaissance, and retired. A ship of the colony was wrecked near Cartagena, and the crew captured by the Spaniards. War was declared, with no great result. The English Government repudiated the colonists, and the Spanish Government proclaimed in pompous phrasings that they could not be endured.

All help from Europe being cut off, there was a rush back to Scotland. Of the colony of 900 the next boat took home some 250. Their experience was fearful. Over a hundred died on the voyage. Arriving home, they found the company had sent out more colonists, and were issuing fervid descriptions of the land they had deserted. More ships were being prepared, the greatest expedition of the lot. They even sailed. Scores of those on board went only to their death. The home-comers spread the truth. It caused a tremendous sensation. But the mischief had been done. New Edinburgh being found deserted, the new adventurers attempted to found a colony. Quarrels broke out; frauds were practised; drunkenness began. The preachers put them all by the

ears in denouncing their ungodliness. Fever raised its head. One fine morning, when a Spanish squadron appeared off the harbour, and landed troops and invested the colony on both sides, matters were indeed serious. It was worse than that. The end had come. It was a forced surrender.

Only 360 out of the 1,300 who left Scotland lived to tell the tale. Most of them wandered to the English settlements in America. The scheme of Paterson ruined the company. A quarter of a million of money had gone, and Paterson, like his countryman Scott, devoted his remaining days to meeting his responsibilities.

CHAPTER XVII

THE WEST INDIES AND THE CANAL

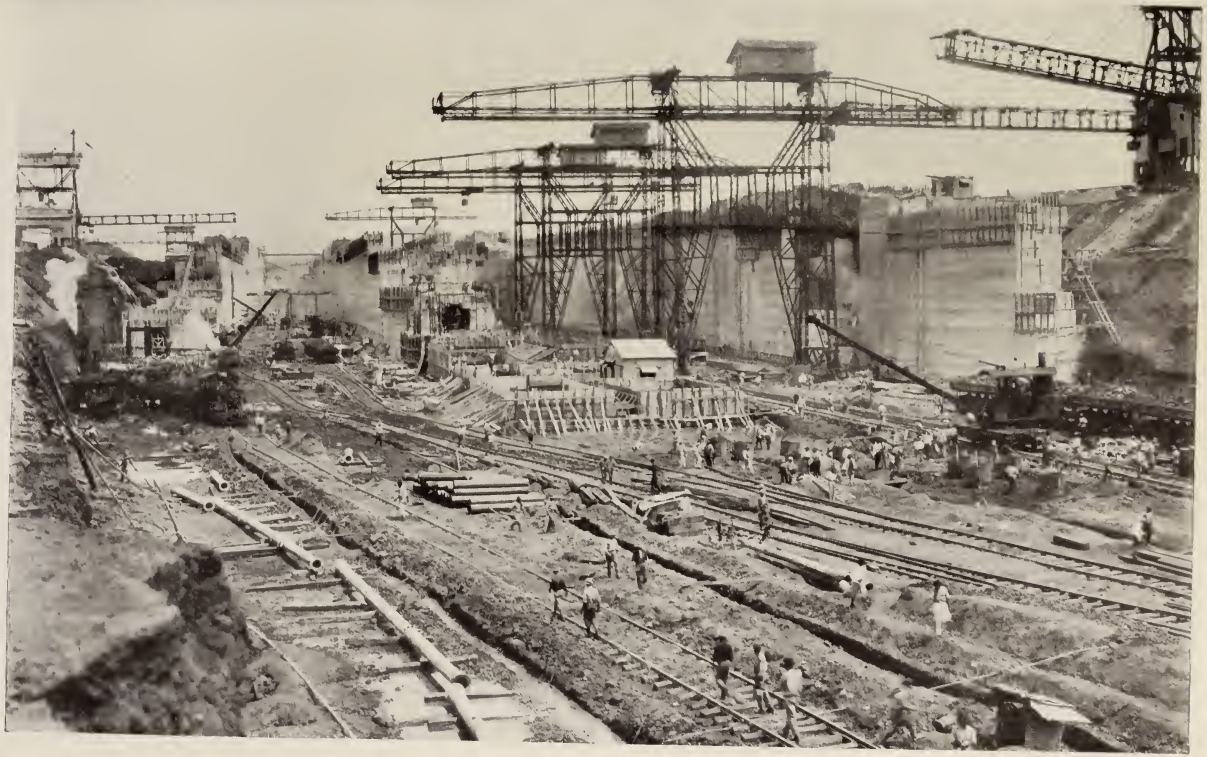
The islands of the West Indies, the most important of them British, form a kind of screen in Atlantic waters to the approach of Panama.

The importance of these islands in regard to British interests, territorial and commercial, have to be weighed. The Government of Jamaica have purchased a site abutting on Kingston Harbour in order that it may be placed in a better position to deal with any demand for coaling, docking, or repairing facilities in consequence of the opening of the Canal. A Canadian syndicate is negotiating with the island Government with a view to the provision of such facilities. Harbour improvement schemes for Port of Spain, Trinidad, and St. George's (Grenada) are under consideration, and proposals have been made for the establishment of oil bunkering stations in Barbados and St. Lucia.

The United States frequently casts an interested eye towards the British possessions in the West Indies. It is not an envious eye, though there is a half-expressed belief that if there was a fresh jostling

up of territories belonging to the nations these islands could be better looked after by the United States than by a country on the other side of the Atlantic. Yet Americans, who have knowledge of good administration, are frank in admiration of the manner in which the British West Indies are governed. Their prosperity is undoubted. Jamaica, Trinidad, Barbados, and the lesser islands are fruitful in sugar, tobacco, cotton, rubber and bananas. The latest official returns show that the imports were valued at £8,878,491, and the exports at £8,331,474. In shipping the total tonnage of the vessels annually visiting the British islands is 18,110,527, of which it is interesting to note that the ships flying the British flag represent 11,626,666.

This fact is gratifying to British people. But it must not be forgotten that many of these so-called British ships have nothing British about them except their registration and the flag which flies at their mast-head. By existing United States law (to be shortly altered) only ships which are built in the United States are permitted to fly the Stars and Stripes. As Britain has so large a share in the ship-building of the world, American companies have their vessels built with us, and so, technically, they are British vessels. Take, for instance, the fine fleet belonging to the United Fruit Company. This company does an enormous business in the banana



MIRAFLORES LOWER LOCKS, AUGUST 16, 1912.

trade; indeed, it is real master of the fruit industry of the whole of Central America. Last year (1912) the company imported into the United States no fewer than 26,500,000 bunches of bananas, and of these some 6,500,000 bunches came from the West Indies. The United Fruit Company is rapidly buying up banana properties in Central America, and also securing lands available for banana planting. The company owns 820,122 acres and leases 32,438, making a total of 852,560, of which 89,047 acres are in British territory. The fleet of this company is excellent. It is developing a passenger and tourist service, and although the British flag flies, it is completely owned and controlled by the United States. Therefore, if we deduct such ships from the British tonnage, only British in name, the total is much less than the 11,000,000 odd tons for which we are inclined to take credit.

Whatever the opening of the new waterway offers to commercial and colonising enterprise, the interests, present and prospective, of Great Britain must be measured. Our West Indian possessions form, as I have said, a screen before the short route from the Atlantic to the Pacific, while on the mainland itself she has interests, direct and indirect, vitally concerned with changes which are certain to take place. Hitherto these interests have been treated as incidentals in the world of commerce. In

future they will come within the whirl of trade and traffic which the Panama Canal will inaugurate. Are we to hold and develop the commerce in the West Indies, or is America to have it ?

There is already a quickening of the pulse in every counting-house drawing cheques on the production, distribution, and exchange of merchandise from enterprises established in the Indies. Where trade formerly had a spiritless existence, it is now being vitalised with the stimulating influence which fresh competition and fresh developments always bring. By this I do not mean to convey the idea that one may anticipate a new version of the " rush to Canada " boom. Neither British possessions nor those of any other country within the orbit of the Panama ring are conducive to that form of colonisation which has attended the advance of Canada, South Africa, Australia, and New Zealand. The awakening will be more in the nature of expanding existing claims and in creating new activities for the purpose of this expansion.

Jamaica, Trinidad, and British Guiana, for instance, must see to it that the best realisation of their natural resources is not hampered or restrained through lack of proper auxiliaries. Harbours, railways, wharves, good roads, and all the necessary paraphernalia of modern trade are matters of immediate concern to their future position in the

international market. Up to the present only a small percentage of the national possibilities of these colonies have been given a fair test. For years administrative and racial problems have prevented the islands worth anything in the West Indian group from demonstrating what they are really capable of doing. And where efforts have been made to harvest the bountiful yield of nature they have not always been complemented with the aid lent by modern science. In Jamaica, the largest of our West Indian possessions, the negro problem is still in the process of solution. Since the slave emancipation of seventy years ago, the country has never been free from troubles directly connected with the government, education, and civilisation of the coloured population. The fact that the negro can now qualify for, and participate in, the privileges of the franchise is only one evidence of the remarkable progress that has been made. But there is still much to be done. Meanwhile, the existence of Jamaica as a commercial country depends upon a contented native community. Negroes, it has been proved, need the influence and the assistance of white people in developing their own possibilities. The fate of Great Britain's interests in the West Indies will therefore largely depend upon how the tree of good government and wise encouragement of the negro is nurtured during the next few years.

Great Britain still sends a fair quantity of goods to these islands, and it is upon her to see that she receives a full share of the increased trade, both import and export, that is expected in many quarters to flow as an outcome of the Panama Canal. In recent years America has been a big customer in the sale and barter of sugar, coffee, cocoa, tobacco and fruit. In the trade expansion of the immediate future she will prove a formidable rival to Great Britain.

British people and British goods are said to be more favoured in the West Indies. At the outset, therefore, the Mother Country stands on a good footing, despite the fact that, compared with America, she is more isolated, both in distance and in telegraphic communication. Calls by wireless, and a less broken line of British ships at sea, ought to give all parties an equal opportunity for keeping touch with the chain of islands from Jamaica to Trinidad.

Sugar is an important part of the commercial and industrial scheme of the Indies. Under wise ordination there is ample scope for a much larger increase in the number of cane plantations, and for obtaining a fuller and more profitable yield from those now managed by native owners. Upon the abolition of slavery the sugar industry was one of the first to suffer by the change. In many respects it has not yet reaped the fruition of the new labour conditions necessitated by the revolution. British

Guiana alone had, less than a century ago, 230 sugar estates and 174 plantations of coffee and cotton. Twenty years later the number of sugar plantations had fallen to 180, while the coffee and cotton estates had practically fallen into desuetude.

The truth is that the natural resources of all the West Indian islands have never been in anything approaching a condition of full development. Only a few years ago it was authoritatively reported that nearly 2,500,000 acres of land suitable for cultivation were lying idle. Where canes have been cultivated by native settlers it has invariably been under somewhat primitive conditions, and without any of the modern implements and machinery for deriving full benefit from the crop. It has been suggested by many observers that the native small-holder is afraid to work his land to its full value on account of an apprehension that it would then be taken from him. However near to or far from the truth this may be, it is certainly the case that the negro, as a rule, has a very slight knowledge of agriculture, and that unless he is encouraged and assisted by the more skilled and better educated white settler he is inclined to abandon his holding as soon as he has obtained all he can from it. A singular trait in the character of the native is that, although he may have seen how things ought to be done, he is rarely able to apply the ideas whenever he leaves the

service of a white master to try planting on his own account.

The refining factories established in Trinidad have, as a rule, had to depend largely upon the neighbouring plantations of the owners, and have not been adequately employed by outside farmers. It is true that floods and other accidents have often prevented outlying growers from bringing their canes to the central factories; but this is evidence that the real measure of the sugar-growing resources of the West Indies has never been fully ascertained. A Royal Commission on the West Indies once reported that Antigua, St. Kitts, and Barbados were particularly suited to the cultivation of sugar, and that under favourable conditions no other industry would be more profitable, both in a commercial and in a sociological sense. The fact that sugar-growing employs more native labour than many other forms of enterprise was in itself an item of considerable importance in the recommendations of the Commission. Indeed, the whole commercial prospect of these islands, as well as their effective government, are matters inter-related with the best employment of the huge native population.

The negro's sympathy and loyalty follows the line of his material interests. If, in the future, these interests are supplied by the foreign enterprisers now casting their eyes over Panama and its ap-

proaches, the consequences may have a political significance serious and far reaching.

Jamaica, the Bahamas, the Leeward and Windward Islands, Barbados, and British Guiana are all concerned in any developments, and ought to benefit by the new track of shipping to China, Japan, and the Far East generally. Great Britain at present finds the islands a useful customer for over £3,000,000 worth of her goods in a year. On the barter side of the account she brings back a miscellaneous supply of native products worth in a year about £2,000,000.

Jamaica itself, which has the largest need of any of the British West Indies, has a climate fairly healthy, and not unsuited to Europeans. Under the best agricultural conditions the island might easily become the orchard of the United Kingdom. Few countries have been more favoured by nature for the rearing and cultivation of a variety of products. Between the sea level and the highest mountains the land lies at varying altitudes, so that it is possible to cultivate fruits and vegetables of the temperate zone, as well as the ordinary products of the tropics. Such a country must appeal to the enterprising investor in search of a share of the new trade anticipated from the Canal.

One half of the fruitful land is 1,000 feet above the sea-level. At Mandeville, which is 2,000 feet above the ocean, there are a good many prosperous

Europeans, and in this district coffee and oranges are grown with some success. The Crown lands, comprising nearly 100,000 acres, are situated at varying altitudes, and can be acquired by settlers under favourable terms. Here, again, the sugar industry, small as it is in comparison with the rest of the trade, has been the gauge of the island's rise and fall in commercial prosperity. Six years ago only one and a quarter per cent. of the cultivated area was used for sugar purposes, and at that time the process of abandonment was continuing. Carried on under proper conditions, and in accordance with all the modern developments of agriculture, it is manifestly certain that Great Britain would find in Jamaica a useful market for the purchase of the finest cane sugar. The industry has many features that make it one of the exclusive possessions of the tropics. For one thing, the sugar cane is less sensitive to storms and drought than most of the other crops. With a wise application of the central factory system, and with suitable communication by road or rail between the mills and the outlying plantations, the industry might be developed on the small holdings basis in a manner that would be extremely profitable, both to grower, dealer, and the Government.

A new situation will arise when Kingston is more frequently called upon by ships of all nations. Great

WRECK CRANES FREEING A STEAM SHOVEL BURIED BY A "SLIDE" IN THE CULEBRA CUT, AUGUST 25, 1912.

Britain's policy must be less opportunist and passive than it has been, or the spoils may go to other exchanges than those of the Empire. In the development of policy the negro must be reckoned as the real asset of the island. He is now a superior being to his forefathers who were shipped from Africa. In future Great Britain's responsibility to the negro population in all her West Indian possessions must be something more than the ordinary obligation of the State to protect the weak within its territory over the seas. Just as Canada, Australia, New Zealand, and South Africa have demanded from the Mother Country all the rights and freedom of the grown-up offspring, so does Jamaica and her neighbours seek to be regarded more as members of the Imperial Family than as mere servants. I know the problem and the difficulty of its solution; but there is the issue. In Jamaica a point has been reached where the native only requires the guiding hand and the stimulus of intelligent and proficient administration to make him one of the finest Imperial subjects throughout the overseas dominions. The fortunes of his country are his fortunes; its history is his history; its future his future. He does not shout for self-government, or quarrel over the basis of the franchise, but he is asking that he be trusted according to the measure of his talents—the talents he has acquired under the British flag—and that

he should be given the facilities of the ordinary subject, to work out his own economic and social salvation. We must not allow ourselves to forget his material interests are his only concern.

British Guiana, which has been a British colony for close upon a century, must also be given a watchful eye in the future. Rice, bananas, and yams are here more extensively grown than sugar; but the cultivation has been somewhat haphazard, and in accordance with no definite plan. Large areas of land near the coast, which might be brought under cultivation with proper drainage, are at present idle. Some time ago these lands could be obtained at the rate of 7½d. an acre. To encourage development, the Government has given facilities to would-be purchasers of small allotments. In the interior there is abundant valuable timber, which might form in itself a profitable industry. Indeed, one authority has declared that the Guiana forests are the most valuable in the West Indian colonies; but their value has never been fully appreciated. Roads and railways are two important items in pioneer enterprise. It is a land of considerable mineral wealth, and there is reason to believe that railways would be a good investment even if they had only to serve mineral lands. With railways and roads other developments would follow. Coffee and cocoa, for instance, are commodities well worth cultivation;

while in the high table-lands there is plenty of scope for cattle raising. The natives have evidently been alive to the prospects, for ground to the value of £100,000 has been bought by negroes. In this connection, and supplementary to what I have said about the native problem, it is worth while mentioning that in Trinidad alone there are about 18,000 negroes in the possession of cocoa growing holdings.

St. Lucia, St. Kitts, and St. Vincent have each their particular place in the review of interests and possibilities of the West Indies, now that more merchantmen are about to pay them a call. Of the first mentioned, not above one-fourth of the area is under profitable cultivation, despite the advantage the commerce of the island derives from the presence of troops and the use of its capital as a coaling station. St. Kitts—christened by Columbus after himself, St. Christopher—has the richest soil of any of the West Indian islands, and is a country of exceptional resources. Arrowroot, at one time the principal industry of St. Vincent, is not now in sufficient demand to justify its cultivation in preference to sugar. I have mentioned that the Royal Commissioners cited St. Kitts and Barbados as particularly suited to the cultivation of sugar, and that it showed greater promise in these places than any other forms of cultivation. Tobacco of excellent

quality is said to be another of the possibilities of St. Kitts; while in Nevis, where Nelson met and married Mrs. Nesbit, cocoa is recommended by one of the experts of the Imperial Department of Agriculture as a product for which it is particularly suited. Trinidad, Grenada, and Dominica are other places where cocoa forms a big item in the present-day list of exports. In the past much enterprise has been wasted for want of adequate capital and through a lack of organised effort.

One of the things to be borne in mind by the man who decides to invest his money and his labour in West Indian agriculture is that many of the crops do not yield a return for a long time, and that he must have sufficient capital to carry him to the period when results begin to flow. In coffee growing, for instance, it requires at least three years before the first returns of the investment can be drawn; while a new cocoa allotment may have to be worked for five or six years before the profits commence to arrive. But there is always fruit-growing—particularly bananas—by which the young planter can keep the pot boiling until the slow crops attain perfection. With an increased service of ships, the banana merchant should be able to do a big business in this particular class of produce. Dominica, with its extremely fruitful soil, is just beginning to recover from one of those defects which has had much to

do with the disappointments of the other islands—lack of roads. Formerly a big trade was done here in coffee, and had this plant been maintained and developed there would have been less disaster among the people. Defective government, too, was to some extent responsible for the deterioration that the island experienced. This, however, is being remedied, and, along with the provision of roads, will do much to make Dominica worth attention in the reawakening that awaits the Indies.

Just as the opening of the Suez Canal was the forerunner of unforeseen and unexpected developments in the Imperial commercial and financial life of Great Britain, so may the establishment of an alternative waterway to the Far East possibly lead to considerations which the world of commerce and diplomacy cannot as yet anticipate, though, as I will show, these are not to be exaggerated. Look at the map for a moment; note the peculiar position of the West Indies and our other possessions within the range of the Panama ring. You will easily realise how this part of the Empire is affected by whatever new movement takes place, and by the new considerations of diplomacy which Panama will raise. The United States is nearer to the West Indies than is England; the productive manufacturing centres of the States are nearer; in aiming for the new markets that will be opened on the Pacific Coast

and Australasia and Oceania, the West Indies will be in the line of traffic. British people often talk about commerce following the flag. But the significance of the British flag will be affected in the West Indies if America pushes her keen business enterprise in these islands, and Great Britain does not face and deal with the new commercial situation which is going to arise.

CHAPTER XVIII

RESOURCES AND TRADE OF THE ISTHMUS

It is the confident belief of the Panamanian that not only is his country destined to play a great part in the diplomatic world, but that when its resources are developed it will be found to be one of the richest tracts on the earth's surface.

In considering future prospects it has to be borne in mind that the United States has possession of a strip of country ten miles wide and running forty miles from sea to sea, and that it is the declared policy of the American Government to allow no settlements within their area, but that the country should remain in a condition of jungle. Therefore, judging the future from the past, it is not at all likely that the Isthmus, whatever its resources may be, will be developed by the Spanish population.

The talk about the Canal has naturally directed the eyes of the world to the possibilities of Panama, and questions are being asked what the country has to offer to the speculator, investor, and the colonist.

The climate being tropical, and for considerable parts of the year subject to heavy rainfalls, it is

natural that it should be productive of enormous quantities of tropical plants and fruits. There is considerable variety in its soils, and, being so rich in vegetation, it is a little surprising that its natural resources have remained practically undeveloped. With the United States having a suzerainty over the Isthmus, and therefore a check being put on the periodic revolutions which have hitherto prevented progress, it is likely, with a stable government established, that foreigners may be induced to take a direct interest in the region either by exploiting its mineral wealth, by cultivating the land, or by the growing of fruit or raising of cattle.

Most of the territory consists of rough jungle, through which it is difficult to travel. But in those open spaces where the natives farm the reward shows that, under proper management, great stretches of the country can be made prosperous. Very little is being done in the growing of wheat, and yet experiments have shown that three crops a year can be raised. Though the breeding of cattle has been within small limitations, it has been sufficient to demonstrate that the uplands are suitable for this purpose. Not only can cattle graze the whole year round, but the guinea grass which grows on the hillsides is capable of producing from 20 to 30 tons of hay to the acre.

Though I recognise that much of the land within

DUMPING CONCRETE FOR THE WALLS OF THE PEDRO MIGUEL LOCKS, NOVEMBER, 1910.

the Republic is barren and unprofitable, there is no question that it is capable of maintaining a population of at least three millions. I am particularly referring to the part of the country to the north of the Zone, right up to the Costa Rica border. Though in the region of the coast the climate leaves much to be desired, the highlands in the district to which I refer have by no means a humid atmosphere, and the heat is never excessive. A settler could get a quick return with sugar-cane and tobacco, and the possibilities of orange growing have impressed everyone who has made a study of the land. With increased railway facilities, and vessels constantly journeying between New York and Colon, there is plenty of indication that Panama could develop a great trade providing the most populous centres of the United States with fruit during the winter months.

The country, though not mountainous, is broken with constant and irregular ranges of hills, and in the valleys is plenty of rich timber. The world is constantly wondering where fresh timber is to be obtained, so rapidly are great areas of forest being cut down. Now it is calculated that quite two-thirds of the area of Panama is forested with trees of valuable wood. There are hundreds of small rivers; indeed, there are about two hundred which gurgle their way towards the Pacific, whilst the Atlantic attracts at least a hundred and fifty streams.

The jungle on the Atlantic side is rich with hardwood. The jungle itself, however, is so dense, providing such a wilderness of undergrowth, that nothing whatever has been done to get possession of these fine trees for commercial purposes. Enormous capital would be required to clear the land. My opinion is that there is a good opening for the lumber industry. Thus on the Atlantic side there are the rich forests; whilst on the Pacific side there are immense districts suitable for fruit culture, wheat growing, and cattle raising.

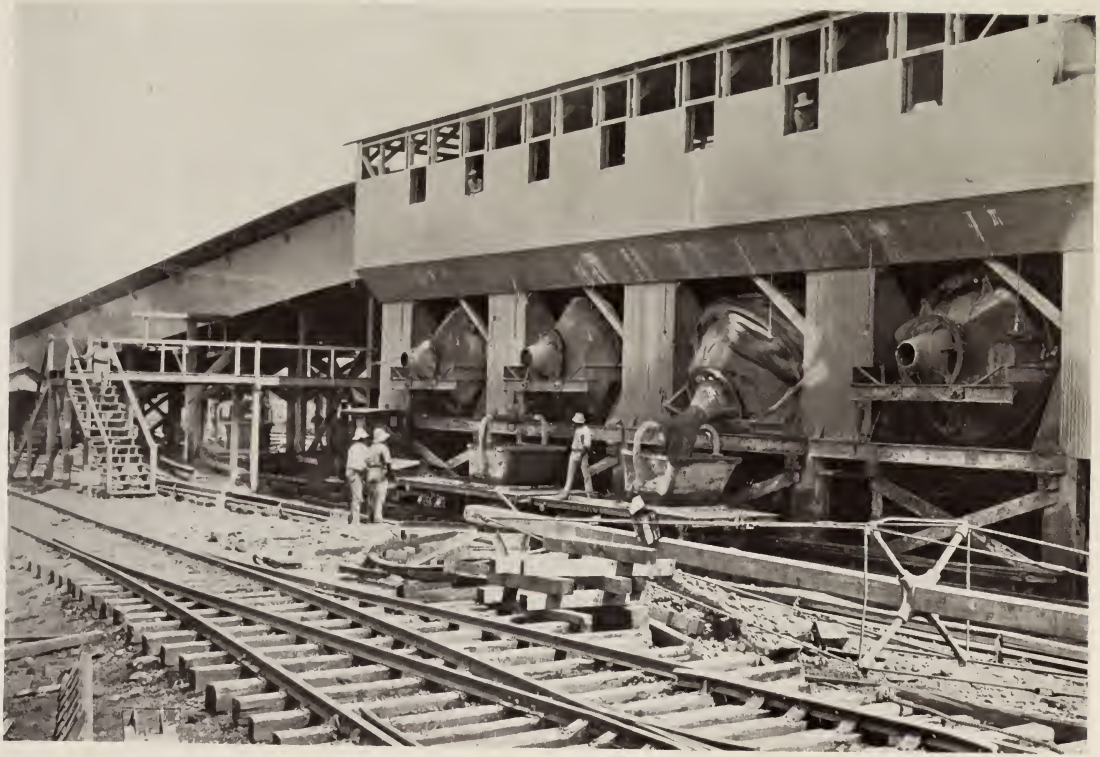
Though the present population is sparse, the hamlets far apart, the roads and tracks indifferent, and the people with little of that energy necessary to get the best out of the country, there is no question about the richness and fertility of Panama. Part of the province of Chiriqui is splendid farming country, for the grasses grown are both luxuriant and nutritious. One feels regret at the haphazard way in which the existing population, instead of properly cultivating the land, neither plough it nor prune it; the soil is simply scratched with the machete, the seed dropped, and the crop allowed to take care of itself. In some places sugar-cane yields 18 lb. to the stick; corn is grown in some places where for twenty years nothing has been done to sow it; excellent potatoes are yielded by ground which has had no attention, except to scrape the

potatoes out, for over a dozen years. Tobacco plants are uncared for and development is checked with weeds, yet the growth is profitable. Probably it is the very luxuriance of Panama, giving crops with little work, which has ministered to the sloth of the natives and prevented them from turning their little farms to more profitable use. There are places suitable for bananas; others that seem to be specially adapted for coco-nut plantations; whilst in other places there is all that is necessary for coffee production.

I am not going to join those who are constantly saying that the whole of Panama is capable of sustaining a white Anglo-Saxon population. Only harm would be done by giving encouragement to that idea. The present health of the white workers in the Zone is no criterion. They, in the first place, are specially selected healthy people, and they are looked after by the authorities in a way in which no other white population in the world is cared for. Very different conditions would prevail in the farming districts. That there are plenty of men who would thrive in the climate I doubt not; but it is not a part of the world suitable for rearing a white population. There is no use blinking the fact that white people in tropical, enervating districts are seriously inclined to deteriorate in the second and third generations. Therefore, whilst I believe that the time is not far

distant when the country will be calling for the capital of the United States and of Great Britain to develop it, and that there will be plenty of positions for men of the Anglo-Saxon race as overseers, I am sure that Italy and Spain will have to be looked to to provide the settled population. I have seen the excellent work being done in Algeria and Tunisia by Italian and Spanish settlers. These are the people who would be more easily acclimatised to conditions in Panama than those who belong to northern races. Besides these, considerable use might be made of the San Blas Indians, who already, in their crude way, raise some of the finest coffee in the world. A few Englishmen and Americans have taken coffee growing in hand, and are producing a bean which sells for 7½d. per lb. in Panama.

Further, there are the beginnings of a useful rubber industry. So far as I can gather, there are only some three hundred acres planted with rubber trees in the Republic, and those who have investigated the matter tell me there are hundreds of square miles most suitable for rubber trees. These can be planted one hundred to the acre at a cost of about £6, and within a few years each tree gives on an average 6 lb. of rubber a year, and this in the market is worth about 4s. a pound. There is an English syndicate operating a rubber tract in Darien; whilst not far away a United States company has obtained a con-



CONCRETE MIXING PLANT.

cession of some forty square miles, which it is intended to plant completely with rubber trees. Wild rubber trees are found all over the country, and this in itself proves the suitability of the land for rubber growing.

I heard of an American company which has secured 70,000 acres, yielding plenty of good timber. Big sawmills are being erected. These things show that the commercial world has already fixed its eye upon Panama, and indicate that before long there will be something of a rush of capital into the Republic.

The real prosperity of the country will depend, I am convinced, upon the development of its agricultural, and particularly its fruit growing resources. Appreciating what the country is capable of in this direction, it is certainly regrettable that at the present time oranges, mangoes, pineapples, have to be imported chiefly from Jamaica.

Having taken a glance at what Panama can do, let us look at the trade of the Republic at the present time. It is necessary to exclude from consideration the food supplies to the workers within the Canal Zone, because these are dealt with independently by the United States Government. The foreign trade of the Republic since it has been in existence is really at a standstill. Of course, the Canal workers make purchases outside the Zone, and there is a constant and increasing stream of travellers and merchandise,

so that whilst the exports remain stationary there is a continuous improvement in imports. With the exception of fresh meat, fruit, and vegetables, practically everything to be purchased in Panama comes from elsewhere. The import trade is in the hands of a comparatively few firms who have purchasing agents in Europe and in the United States. Both British and American manufacturers do fairly well in the Isthmus, but, whilst the British have the advantage in the matter of shipping, the American dealers frequently get ahead of their British rivals by following up an order by sending a representative to interview the wholesale purchaser, and, of course, pressing the benefits of the article which the American produces over that which comes from across the Atlantic.

The Panamanians are rather slow as business people, and, as a rule, do not place large orders. The British Consul-General has, in a recent report, given some sound advice to British traders. He says, "Commercial travellers who visit the Isthmus appear satisfied with their visits, but individual orders are necessarily small owing to the number of firms dealing in the same lines and the impossibility of carrying a large stock on account of the excessively damp climate, and the high rate of interest for money. There is probably no one line, except possibly dry goods, which is worth the visit of a manufacturer's

traveller unless passing through. What is most desirable is that merchants' agents handling several classes of goods in demand on the Isthmus, with large stocks of supplies, should visit Panama. It should not be a hard matter for such agents to convince some of the local merchants that many of the goods they order through their agents, or from exporters in the United States and the Continent, could be bought of better quality and at lower prices in the United Kingdom."

There is a fairly important trade in British jams, sauces, biscuits, and other specialities, and the Consul-General believes that the consumption might be increased by advertising. Every general store stocks glass and chinaware of the cheapest, gaudiest, and ugliest description, for which there is a large demand amongst the coloured population. Some glassware comes from the United States and a little better-class crockery and toiletware from the United Kingdom; but otherwise the trade is entirely in German goods. There does not appear to be much opportunity of developing British trade in these wares, as there seems no indication of any improvement in taste of the bulk of the population, and the classes who can afford it prefer Chinese ware, which is imported and sold in quantities by the numerous Chinese stores.

Colon, the Consul-General says, derives its chief

importance from its shipping and transit trade and its position on the cross-roads of the New World. Local trade is largely carried on by a number of firms which import wholesale and sell to retail dealers without the intervention of middlemen. Their operations do not, as a rule, extend outside the town and immediate neighbourhood. The population being composed chiefly of poor and uneducated persons, the general demand is for cheap goods. Light German and American beers are preferred to the British variety, which, as a rule, is too heavy, though some British pale ale is consumed. Stout is almost entirely of British origin. Cheap German liqueurs and Chinese rum are in great demand at some bars frequented by the poorest class of natives and West Indians. Other liquors of British make are ginger ale, kola, lemonade, Old Tom gin, dry gin, and sloe gin. Fruit and vegetables come from Jamaica (which also does a large trade in cigars and cigarettes), yams, sweet potatoes, and a small quantity of sugar from Barbados. Large consignments of flour are regularly received from New York, while grain—and particularly heavy oats—and corn come from Canada.

A railway is being constructed from Panama to David, and this will be an important factor in the development of the country, as it passes through the regions richest in natural resources and most

suitable for extensive cattle raising. Colon possesses one cigar factory. The cigars are for the most part filled with Jamaica tobacco, whilst the outside wrappers are made from tobacco grown in Java. A cheaper class of cigar is also made and filled with the native leaf, which is of rather poor quality, though, as I have indicated, there is every reason for believing that, with proper management, a high grade of tobacco can be raised in Chiriqui.

Altogether, the Isthmus is well worth the consideration of those men who, with large capital, are always on the look out for some part of the world which remains to be harvested.

CHAPTER XIX

THE FUTURE IN THE PACIFIC

It was the war with Spain which turned the thoughts of America to the possibilities of the Pacific. Before that cheap victory over a decadent Power, most people, if they thought of the Pacific at all, associated it with old tales of voyages of adventure, or thought of it as the theatre of piratical enterprise. Or, if their knowledge were later, they pictured a great somnolent ocean, occasionally disturbed by little steamers creeping round Cape Horn and stealing up the coast of Western America, or rounding the Cape of Good Hope, and pursuing a fugitive commerce at Asiatic ports.

As a business proposition, the Pacific and its borders, so far as the United States was concerned, were counted as negligible. Yet gradually a change had been coming over the scene. Savagism and indolence had been yielding place to enlightenment and industry. Large tonnage ships, sailing at regular intervals from many ports, had begun to draw innumerable intersecting lines across the waters of the ocean. Romance and adventure had been

forgotten, and prosaic commerce had taken their place.

It was not the war that made the change. It hardened it. It made men realise what had been happening. The average American may be active about the things on hand, but of the future he takes no more stock than the European. He is equally carried away by the drift of the inevitable. His place in the drift may be a big one, but it is the accident of circumstances rather than conscious design.

History shapes its own course, and the Pacific had begun the dispute for supremacy while the American was dreaming of other conquests. Freed from the enervating lordship of Spain, Southern and Central America gave itself up to internal quarrels. The Western States, with all their wealth, when not entirely neglected by Washington were thrown into the clutches of monopolies. The eyes of the American were on the Old World ; his energies were being spent in a field of many competitors. His back was to the greater world, where there was ampler scope for skilful enterprise and higher rewards. Even yet he is only giving a side glance westwards. Soon he will be compelled to wheel right round. The trend of civilisation and commerce has ever been westwards, and what the Mediterranean Sea was, and the Atlantic is, the Pacific will become.

And why not? Half the human race dwell on lands washed by the waters of the Pacific. What the proportion will be in another generation imagination refuses to limit. Remember that commerce in that great theatre is still in its infancy. Growth of trade is not measured there by the small percentage with which Europeans console themselves. Increase of population bounds forward with wonderful rapidity. I will not weary my reader with long strings of figures. But take a few as illustrations from the western coast of America. Note that since the last census the population of California has increased 60 per cent., that the increase of imports in 1911 over 1910 amounted to well over a million dollars. The exports from Oregon, Washington, Idaho, and Montana increased 50 per cent. in 1911. Take a wider sweep and embrace the west coast of South and Central America, and you will find that this coast, lying off the track of the great commercial routes of the world, has increased its foreign trade by 100 per cent. during the last ten years. These figures of external trade are in themselves eloquent of progress. They do not tell the whole tale. Internally the trade has progressed with even more striking suddenness. All along that coast, from Chile to Alaska, industry and commerce are making riot where for centuries there were silence and indolence.

You must look at the map if you would grasp in

your imagination the immensity of the Pacific prospect. On the one side you have the American seaboard, with Chile, Peru, the Central Republics, Mexico, the Western States, British Columbia, and Alaska. On the other you have Australasia, China, Japan, and Asiatic Russia. In between are islands dotting the ocean as the stars do the heavens. There is nothing, except old European masters, with which the people of these countries cannot supply each other. Save for Japan's quick change, the countries on the Asiatic side have not yet become fully conscious of their potentialities. Think of China with its four hundred million souls, and by contrast with that vast population realise that last year the United States sent to ports other than Hong Kong, where no record is kept, goods to the value of only about £5,500,000, a fraction of what she sent to Canada. China has awakened, and, whatever may eventuate from recent occurrences, the country can never again slip back to its slumbering state. Hitherto foreign trade has not penetrated to any large extent into the interior; but with the development of railways, actual and promised, and the disappearance of that hatred for the foreigner which has proved a crust preventing the natural growth of the country, it requires no straining of thought to picture China as one of the foremost centres of commerce and industry in the world.

Americans have been slow to grasp the opportunities that lay to their hands on the western side. As long ago as 1852, when the Pacific seaboard was yet hardly touched by a ripple of commerce, Mr. W. H. Seward prophesied that Europe would sink into unimportance, and that the Pacific Ocean would become the chief area of events in the world's great hereafter. That prophecy has not yet been fulfilled. But it is in the way of being realised.

What part is America going to play in this great theatre ? Geographically, territorially, and by the wealth of her natural resources, hers should be the chief part. That she will play an important part there can be no doubt. That, as I have said, is the accident of circumstances. The major part is not so sure. Great Britain is not particularly distinguished among the nations of the world for special foresight. But she has been lucky, and she has a knack of clinging to what comes her way. At present she is predominant in the trade of the Pacific. Her shipping and her coal resources are important factors in that position. Nowhere is she far from a coaling station. And so long as America is content to have her goods transported in British or other foreign bottoms, so long will she be handicapped, despite her inestimable advantages in other directions.

From past experience it would be unwise to

prophesy any great expansion of shipping carried on under the flag of the United States. In the first place, her shipping laws are against any sudden or swift development. An American-owned but foreign-built ship cannot fly the American flag—though, as I have already said, that is to be changed. At first sight this would seem a desirable restriction in the interests of the American shipbuilder. In his present circumstances it is to his disadvantage, for only by a big development of American shipping, however achieved, can he hope to create that demand which is going to keep him busy. The operations of the railroad trust will have a throttling effect on any effort to engage in long-distance coastal trade. Overland transport costs about six times as much as ocean-borne, and the railway companies, having shipping of their own, will, by temporary cutting of freights, endeavour to run off all water competitors.

For more than a score of years California has been aspiring to become a shipbuilding centre. The repeated and long drawn out disappointments have almost become pathetic. All the facilities for construction, dry docks and all the rest, are there; but year by year the same tale has to be told: "Shipbuilding has not been brisk." In time, however, there must be a great expansion in that direction. With such facilities as are present, with all

the material at hand, and with the wide field offered by the Pacific in the future, nobody but a nation of fools could lie idle. An enlargement of ideas will be forced upon the ruling authorities.

Western America cannot be kept out of her own. In spite of "statesmanship" she is bound to forge ahead. Even the Central Republics, where revolutions are as frequent as the seasons, are progressing. In the midst of the confusion Capital and Labour are quietly and unconcernedly taking their share in the building of the Pacific's future. Industrial life asserts itself, and the flow of trade, though impeded for a time, or diverted temporarily, will burst into its appropriate channel. Where there is land to yield food there will be men to work it. Where the earth is charged with metals there will be hands to extract them. Along the Pacific coast is the raw material of almost every industry.

The ports of the Orient, with its teeming millions, are opening for the onrush of a new commerce. Where is there a more suitable jumping-off ground than Western America?

The legislators of the United States still imagine that they can pick up the threads of the future Pacific trade from the eastern coast. As usual, they are trusting to chance. As usual, they will find the drift of the inevitable too strong for them. The balance is already beginning to shift from east to

GANG OF 150 MEN SHIFTING TRACK BY HAND, JANUARY, 1912.

west. Keen men of business, wanting an outlet for their capital, and the mass of wage earners, eager to find opportunities for expansion, are heedless of policies so long as those policies are not in active opposition. The Western States, forgotten by the central authority, are preparing for an influx of trade and population which, warned as we have been for a big increase, will nevertheless be of astonishing proportions. Foreign capital is pouring into South and Central America. Railways and telegraphs are opening up the country. There is marked activity in dock construction and improvement. The day of the Western States and of Latin America is just beginning to dawn. The extent of resources, vast as they are known to be, will not be in any large measure properly disclosed until the development of railways, canals, and docks—now projected —have been completed.

But we know the wealth that is waiting to be exploited and we can read the tendencies. As I have indicated, the centre of trade is already disposed to shift from Eastern America to Western America. A straw will show the direction of the wind. Make cotton the straw. Virginia, Georgia, and the Carolinas, familiar to us by stories of Uncle Tom and music-hall songs, were originally the cotton-raising centres. The Mississippi then claimed a share. Now, three-fourths of the crop is grown west

of that river, and the plant is continuing its march westwards until the centre is becoming nearer the Pacific than the Atlantic. Southern California stands out as the most suitable place for the erection of new mills. Already a beginning has been made. Imperial County commenced to grow cotton in 1910, and is satisfied with the result. It was a small beginning, but the parable of the mustard seed may be fairly applied to it. The soil is rich and the product is nearly a bale (500 lb.) an acre. It has been found that the plant improves as it goes west. The rainless autumn facilitates the harvest, and insects are said to be less troublesome. In 1910 the yield in Imperial County was 300 bales; in 1911, 6,000 bales; and in 1912, 9,500 bales. The Imperial Valley Oil and Cotton Company, which handles most of the crop, estimates the yield in 1913 at 20,000 bales. At 4¾d. per lb., the price in 1912, the net profit to the grower on land valued at £20 per acre is £3 per acre per annum, after allowing the former wages for his work.

Just as the cotton-growing centre is moving westwards, so the cotton current is changing from New Orleans and Liverpool to California and China. Lancashire mills have begun to look elsewhere for their cotton, the South Atlantic States having mills enough to spin all the cotton they raise. Texas will find it to its advantage to send

its crop to California, to be made up for the eastern market.

Before the Spanish-American War the proportion of Asiatic trade with the Pacific States of the Union was almost negligible. The story is different now. In 1911 the steam vessels cleared at San Francisco had a total tonnage of 400,000, and of that China, Hong Kong, and Japan claimed no less than 116,000 tons. Another striking fact in this connection is that while as recently as 1909 the value of wheat-flour and wheat exported from Portland to Hong Kong, China, and Japan was only £313,678, it was in 1911 no less than £721,474. Prophecies have not a habit of coming true; but it would seem as if Mr. Chauncey Depew were really a true prophet. A few years ago he told a Chicago audience that "the open market of Japan and the open markets of China will absorb not only all the wheat grown upon the Pacific Coast, but all it can possibly produce"; and he added that Oregon, Washington, and California would in a few years be among the richest and most productive States in the Union. The time is not yet, but it is a testimonial to a seer when his prophecy is realised in part. It is true that in 1911 floods in China affected the harvest, but the real explanation of the extraordinary increase in Oriental demand for American flour lies in the fact that China and Japan are

gradually substituting flour for rice as their staple food.

Only by bearing in mind the phenomenal progress already made by the Pacific States of the Union can one be guided in an estimate of the future. There is a story in the long ago about a Queen Calafia and her black Amazons, whose only use for men was to give them as food to the griffins until, one day, the Queen yielded her sword and heart to a knight of King Amadis. Incidentally, she allowed her sister to be conquered likewise by the son of a king of Ireland. This latter conquest may account for the attractions of California for Irish emigrants. But all that belongs to the mythical legends of time. What is true is that as recently as three score years and ten, half-naked savages were still in possession of these lands. Within the memory of not very old men the natives on the western and north-western coast were trapping salmon at the waterfalls for their own use. The presence of gold and silver was unknown. Those peaceful times, when laziness was the only temptation, have quickly passed. The Fraser, the Columbia, and the Yukon rivers are now sending their fish to all the world. The great canneries are all hustle.

In a short space of time California has marked four stages of progress. First there was pasturage, then the exciting time of gold, next grain, and now

fruit. Fruit and fish are almost the currency of the west. In one year California exports and sends to the Eastern States 140,000 tons of various fruits. In the States of Oregon, Washington, and Idaho there are 275,500 acres of orchard. And the limit of capacity is still far off. There are 15,000,000 acres of land of all classes still available for homestead entry in Oregon alone. With horticulture as the booming industry the very large farms are disappearing, and the demand now is for small and medium size tracts for settlers. All this in spite of the narrow greed of the railway trust to whom the legislature has unfortunately handed over the destinies of these promising States.

No one who knows now thinks of "ice-bound Alaska." Like all the lands in the Pacific, it is a territory abounding in half-explored wealth. Gold, fisheries, furs, and copper are not its only resources. There are large coalfields waiting for enterprise and capital. With a comparatively mild winter climate, stock-farming promises to become an important industry.

Great as is the future before the Western States, I am inclined to think that it is to Latin America that the attention of the world will be turned in the next decade. A good index to the increasing interest taken in that quarter, and of the hopes which are entertained of its prospects, may be found in the

space occupied in our British newspapers by prospectuses relating to various developments in Central and South Ameriea. There is scope and profit for ten years' eontinuous inflow of capital. Money and skill, judieiously applied, will work a transformation in that vast region. Consult the map again, and count the Republies up to twenty, with one of them —Brazil—larger than the United States proper. The combined population of seventy millions sounds large ; it is small in comparison with what the lands are eapable of sustaining. A foreign commeree of two billion dollars per annum is but a mere beginning in a land where elimate and natural resourees, rivers and coast line can be brought into profitable combination. There is only one obstacle to an instant leap into unexampled prosperity. Revolutions are the bane of the south. But the people are beginning to grow up. A more sober population is being introduced, and is exereising a steadying influence. Mexico, though it had a reeent regrettable lapse, is beginning to set an example to her neighbours. It is becoming realised that only by steady, reliable government can foreign money, whieh is so much needed, be attracted. Another and saner ambition, but less venturesome and less riotously pieturesque, is seizing the men who compete for control. The greed for revolutionary glory is being crushed by the greed for expanding trade.

There are not so many "gentlemen," high or low, in Mexico as there were a few years ago. Work is becoming attractive to your Mexican, and speculation of a quieter and more beneficial character is being made a business as well as a pastime. The Mexican is joining with the foreigner in putting his money into the development of the rich western section of the country. He is assisting in the rapid construction of railroads. He has seen the results that have followed from the Tehuantepec Railway, which has done so much to put into communication the west coast of Mexico with the United States and European ports. In themselves those results are a signpost to the immense possibilities of the Pacific Coast. From a comparison prepared by United States Departments of Commerce and Labour between freight carried by the Panama and Tehuantepec Railways, it seems that when, in 1906, the Panama Railway offered the only rail connection via the Isthmus between the Atlantic and Pacific coasts, the total traffic amounted to about $6,000,000. In 1907, when the Tehuantepec Railway became available, the total was $21,000,000; in 1908, $42,000,000; in 1909, $62,000,000; in 1910, $82,500,000; and in 1911, $99,000,000, exclusive of more than 775,000 dollars worth of foreign merchandise. The growth of traffic by the respective routes was, via the Panama Railway, from $10,000,000

in 1907 to $26,000,000 in 1911; and via the Tehuantepec Railway from $11,500,000 in 1907 to $73,775,000 in 1911. While the opening of the Tehuantepec Railway has thus stimulated the trade between the Atlantic and the Pacific, the Mexicans have taken the profit of transportation, and at the same time given a fillip to their own trade. Until the country has a complete system of railways to the Pacific coast portion it will not yield up a great portion of its wealth.

The wealth of Mexico! The country is surfaced with silver and gold. Cotton, jute and other textiles grow amazingly. Stock-raising is a large and profitable industry, and, of course, you cannot think of Mexico without its hundreds of coffee plantations.

Central America will be compelled, one of these days, to adopt other methods, and if union does not come from within it will be forced from without. The industrial and commercial advantages of a union of Nicaragua, Honduras, Salvador, Guatemala and Costa Rica would be enormous. Centrally situated, a fertile and resourceful land, and with a good interior climate, there is no reason, except the people themselves, why it should not be as rich as any part of the American continent. There is no lack of data to prove that gold, silver and iron are present in great quantity. But so far the mines have not been developed to any appreciable extent. Coal and

CONSTRUCTING THE APPROACHING WALL OF CONCRETE AT THE PEDRO MIGUEL LOCKS, JUNE, 1912.

oil have also been discovered, but there again the tale is one of neglect. The banana trade is the only one which is receiving anything like attention. In that the returns are quick and not inadequate. Manufactures are in a neglected infancy. Sugar might be made a profitable undertaking, for as fine a quality of sugar-cane can be produced, particularly in Honduras, as in any part of the world.

So with Panama. There are the minerals with nobody working them. There the coffee and the cacao, the sugar-cane and the tobacco, the timber and the large tracts of land suitable for agricultural purposes. They are all waiting for capital and population. The ancient glories of Panama may, possibly, be revived. Not, however, the people think, by the Canal. Their national hopes are getting centred in the building of the proposed railway from Empire to David. This railway, extending 289 miles, should do much to open up the interior. The Pan-American railway, connecting the United States by way of Mexico with the whole of South America, seems at last to be in the way of realisation.

Panama's neighbours, Colombia and Ecuador, are equally sparsely occupied. Yet both can boast of healthy and resourceful plateaus in the interior where a big population could be sustained with abundance. Vegetable life and minerals promise

a rich harvest. Manufactures are beginning to spring up in Colombia, but agriculture still remains the chief, although by no means properly organised industry. Progress is more marked in Colombia than in some other parts of the South American continent. A 30 per cent. increase per annum in the exports, if maintained for a few years, will do much to quicken interest in the small republic. The increases are chiefly in bananas, which seem to have become the staple product of these parts. Coffee and hides are also bounding up. In time someone will tackle Colombia's virgin forests of precious woods, and there is a throne for a cotton king. Someone, too, will see the obvious advantage of building a railway into the interior, and giving to the world the benefit of the wonderful agricultural and mineral wealth to be found there.

The Government of Ecuador is waking up, and is aiming at making Guayaquil one of the important ports on the Pacific. Harbour improvement is badly needed in Ecuador—that, in conjunction with railway construction. Indeed, railway construction is the great need of the whole of South America. Given that, you would get an impetus which would make the rise of the lower part of the continent more striking and remarkable than the growth, extraordinary as it was, of the upper part.

It is in Peru and Chile that you see the effect

of railways. Both are in a highly prosperous state and neither is by any means at the end of its tether. The capitalist has already entered, and he is planning out new schemes every day. In Peru you see the pride and love of show of the Spanish-American. The Sunday afternoon promenades in all the cities would make a London suburbanite yellow with envy. There is wealth behind them. Peru is a land of raw material. Everybody knows about its rubber. It has also sugar and cotton, and there are large tracts of land under wheat and corn. The mountains are full of metal, and mining is an important industry. The coast line of Peru is nearly equal to the United States seaboard. Railways are comparatively numerous, but still far short of what they might be. In Peru and Chile the United States is making little headway. In the one place the Germans are stronger; in the other the British.

The amount of European capital being absorbed south of the United States border is another illustration of the faith of the United States in its luck. When the real boom comes it thinks continental homogeneity will give it all that others have worked for. Well, it will indeed be lucky if it can violently alter the trend it has already allowed. The two most important manufactured imports in Chile are machinery and hardware. Out of the increase

under the former heading in the year 1911, the United Kingdom obtained £93,000 as against £19,000 for the United States; and out of the increase under the latter heading the United Kingdom had £35,000 as against £8,000 for the United States. The explanation is simple. The trade of the country is dependent on the nitrate industry, and of the £27,500,000 invested in that industry, £10,700,000 is British capital. In such circumstances, all other things being equal, the preference will be for British goods.

Chile, owing to its more fortunate situation in regard to shipping, has been more progressive than its sister Republics. Valparaiso is one of the chief ports of the Pacific, a regular service being maintained by a variety of British, German, Italian and Japanese lines of steamships. The foreign commerce is increasing rapidly, but so far the main activity in this direction has been confined, in the case of exports, to nitrates and, in the case of imports, to the limited wants of the inhabitants. With a higher standard of comfort will come increased demands, to pay for which the other resources of the Republic will require to be developed. The quantity of copper exported is infinitesimal, although copper mining could easily be made an important industry. Great impetus will be given to it if the railway from Iquique to Collahuasi is carried through.

From this survey of the wealth along the Pacific coast of the American continent it will be seen how much the future will require to give to it. Across at the other side of the water Australasia, China, and Japan are bustling into active industrial life. The natural course of trade is between the two sides, and when that trade has reached its full growth the interchanges between European countries will be dwarfed in comparison. Even the islands, forming, as it were, stepping stones across the ocean, have lost all that mystery which school books still attach to them, and in their way are showing signs of trading activity. The United States has become reconciled to its acquisition of the Philippines, the total exports and imports of which rose in three years from £13,000,000 to £19,000,000. In the same period the combined exports and imports of Hawaii rose from £12,000,000 to £14,000,000. One can only surmise what the figures would have been if the United States had not persisted in a rigid application of its Coastwise Navigation Laws, by which, although the Hawaiian Islands are 2,000 miles away in the centre of the Pacific, United States vessels alone are privileged to carry passengers and cargo between Hawaii and the United States. Hawaii has suffered on account of the inadequate transportation facilities. The United States is not obtaining anything like the proportion of Pacific Ocean

transport to which its geographical position and natural wealth entitle it. In the impossible event of European shipping being driven out of the inter-Pacific trade, the United States would still have to battle with Japan, which is quietly, but none the less surely, building up a great Pacific shipping trade.

It was circumstances, rather than choice, which led to the development of the Atlantic before the Pacific coast of America. Circumstances and choice will bring about a similar and even greater rise of the western side. I have shown how in some respects the balance of wealth is moving westwards. The figures of the Tehuantepec Railway, to which allusion is made, are an example of how, given the necessary communication, the trade and commerce of the Pacific cannot but spring up suddenly and amazingly. Of the merchandise passing from the Atlantic Coast westwards across the isthmuses, aggregating $62,500,000 in value, $4,000,000 went to Hawaii, $48,500,000 to Pacific coast cities, and a little over $8,500,000 to foreign countries. Of the total eastward movement of $37,000,000, $18,000,000 was sugar shipped from Hawaii, $16,000,000 miscellaneous merchandise from San Francisco, and $1,500,000 from Puget Sound.

When the west coast of the United States is better linked up with the centre we shall see the

West striding rapidly into her own. Merely in self-defence the United States Government will be obliged to undertake something of the kind, if she is not to allow the growing commerce with Asiatic countries to pass to her competitors. In any event, the future of the American continent is with the West—that is the inevitable which Americans must recognise.

CHAPTER XX

WHAT IS THE USE OF IT ALL ?

When you have lauded the perseverance of the Americans for cutting a waterway between the two Americas, acknowledged the engineering skill, and paid tribute to the organisation which brought triumph to the undertaking, you are confronted with the question : What is the use of the Panama Canal ?

Most folk are surprised at such an inquiry. Why, the Panama Canal is going to save distance by thousands of miles ; it is going to open a new route for the commerce of the world ; it will be a realisation of the dream of Columbus by being the western way to the Orient.

The American people expect a great traffic. That is why they are providing double locks, so that there may be no delay by the holding up of ships. While vessels going one way will be hoisted to Gatun Lake, others travelling the opposite way will simultaneously be lowered from the lake to ocean level. They assure you that their experts have made calculations which demonstrate that in spending £80,000,000 in constructing the Panama Canal Uncle Sam has made

DUMPING "DIRT" FROM CANAL EXCAVATIONS; THE STEEL WEDGE HAULED BY A CHAIN RAPIDLY PUSHES ALL THE DEBRIS ON ONE SIDE.

one of the best investments in his history, and that the Canal is going to be a " paying proposition."

Let us see.

The Canal will shorten the sea journey between New York and the west coast of the United States by over 8,000 miles. As I have previously pointed out, it was the need of this cut—when the *Oregon* had to steam from the Pacific to the Atlantic by way of the Straits of Magellan—which stirred the Americans to provide a gateway between the two seas. But it is on the transit of merchant shipping that the Canal must rely if it is to be a commercial success. And in the matter of sea-borne goods the markets of the Eastern States will have an advantage by thousands of miles over their present position in reaching California, Peru, parts of Chile, Australia, and Japan.

At present, however, the American mercantile marine is a bad last among the trading concerns of the world. South America is the land of to-morrow. So far as I can gather, there is not a single liner flying the United States flag running between ports on the two sides of the Equator. The trade is in the hands of foreigners, chiefly British, and the growl has been heard in American circles that their dollars are being spent to build a canal for foreign ships.

Except to West Central America, the Canal is going to be of little advantage to British shipping.

The value of the west coast trade I know; but as part of the British shipping trade in the world it is insignificant. By Panama New Zealand is slightly nearer to England than by any other way; but, with the Suez Canal in existence, India, China, Australia—indeed, every ice-free port in Asiatic waters—is more distant by the Panama route than by Suez. Why, taking it that both New York and Liverpool sent ships to Shanghai, the former by Panama, and picking up passengers at San Francisco, and the latter via Suez, the English ship would have the lesser distance to travel. Accordingly, on even terms, British shipping with the East and with Australia has nothing to gain by Panama.

Americans are buoyantly confident that as a commercial venture the Panama Canal will pay — not all Americans, but the bulk of them. I have already discussed the abrogation of the Hay-Pauncefote Treaty and the giving of the preference to American ships engaged in coastwise traffic. I will only remark here that, though in England this has been interpreted as an unscrupulous violation of a written compact in order that favouritism may be shown to American ships and foreign ships be proportionately penalised, it was another motive that really actuated the United States President and the two Houses. The idea was to deliver a blow at transcontinental American railways, which are

by no means popular, by relieving ships plying between Asiatic and Pacific ports from the burden of tolls and giving them a better chance to compete with the railways in the carrying of freight.

We know how elastic the American mind can be in stretching the meaning of words in a treaty. Therefore, although the proposal is for the United States Government to give free use of the Canal to coast-trade vessels only, it is not an extravagant assumption that, with the alteration of the United States law, allowing foreign-built but American-owned ships to carry the Stars and Stripes at their mastheads, a ship sailing out of New York, going through the Canal, calling at San Francisco and proceeding to Yokohama and the Philippines, will soon be counted as "a coasting ship."

Allowing American ships to use the Canal toll free—and the cheery American will tell you that as the Canal is being built with his money he can do as he likes—the important question remains: How is the Canal to be made a commercial success? Are the tolls on foreign ships to be so high that a profit will be made out of them? The main use of the Canal to foreign ships for generations will be to bring to Europe foodstuffs from the northern section of the continent and nitrates from the southern section. It is the intention of the United States Government to charge tolls not on the tonnage or

freight, but on cargo capacity—though I believe this will be changed. In any case, the foreign trade by way of the Canal will not bear heavy tolls. Heavy tolls will only frighten away the bird that lays the golden eggs.

Though our friends constantly speak of the Canal as an agency to improve commerce, the real thought behind it is to provide a quick means to get United States warships from one seaboard to the other. The need of a short cut is felt to be more pressing than ever. Not only is there the ever-possible danger of complications with a European Power, but Japan has developed into a great naval force. No love is lost between the Americans and the Japanese. A restraint is put upon Asiatics wishing to enter the States. The considerable settlement of Japanese in Mexico rouses concern at Washington. When the Americans thought that a private firm, acting on behalf of the Japanese Government, was about to secure from Mexico a stretch of coast which could serve as a naval base, the Americans were more than perturbed.

In the event of war between the United States and another Power, the Canal would play an important part. The fact that there is a Canal at all means that the United States, instead of concentrating her fleet on one coast, would have it divided. The first aim of the enemy would be to prevent the two sections

from joining. Indeed, the Canal would be the weakest link in the chain of defence. Some American authorities with whom I have spoken deny that it will be a weak link. But they recognise, more than the mass of American people have yet realised, that the Canal will be an object of attack, and that defence is a necessity. I have even met men who confidently declare that the Canal will be impregnable—a big word, and inclined to be meaningless under modern war conditions.

Anyway, what the American people will soon have to face will be, not the receiving of profits from a commercial canal, but a heavy charge put upon them to maintain the Canal as an instrument of war. The calculation has been made that the Canal, instead of being a fine investment for the United States, is going to cost that country £4,000,000 a year in efficient upkeep.

Preparing for eventualities, fortifications are being constructed, and heavy guns will be placed on the island of Flamenco, which lies at the Pacific end of the Canal. But five miles farther out in the Bay of Panama is the much bigger island of Taboga, with deep water on the west side, where the enemy's ships could ride close in and the guns of Flamenco be unable to touch them. Taboga and its neighbouring islands belong to the Republic of Panama, but if the entrance to the Canal is to be really guarded

it will be imperative for the United States to acquire Taboga and tunnel it after the manner of Gibraltar. The expense of this will startle the American people, though they will be well able to bear it.

Heavy double fortifications are intended on the Atlantic side to bar the approach of the enemy, for from deep water to the three double locks at Gatun is seven miles, and could be reached with long-range guns.

Fine specimens of massive engineering though the locks are, it would not be difficult for a daring opponent to wreck them and render the Canal useless. Ostensibly, the reason the United States Government are going completely to depopulate the Canal Zone through a ten-mile wide strip of country between the Atlantic and the Pacific is because they do not want coloured settlers ; but the actual object is to keep the ground clear of anybody who might be troublesome if the United States were at war. Not only this, but on the hills adjoining the various locks fortifications will be erected.

A military force will be stationed at Culebra. How large it will be has not yet been settled. Certainly it will not be fewer than 5,000 men. There are American military authorities who, understanding that war comes swiftly, and that it will be difficult to hurry a defensive force to the Canal during hostilities, when the first endeavour of the foe is to

block the route, feel that in peace the defence must be on a war footing, and that a force of 20,000 men will be necessary. That is Colonel Goethals' opinion, and he is a military expert as well as the man on the spot.

It is clear from all this that the United States War Department fully appreciates what the Canal means, is taking the requisite steps, and does not intend to leave much to chance. The very fact that these precautions have to be taken, notwithstanding the talk about impregnability—is an acknowledgment of the danger.

With developments in modern warfare—aeroplanes, for instance—it would be nothing short of marvellous if during a conflict with a first-class Power the United States were able to keep the Canal free from mishap and open to the quick transfer of warships from ocean to ocean.

Though in the States, as with us at home, there is uneasiness about the increased expenditure on naval arrangements, there is a growing feeling that the Panama Canal, whilst useful in speedily bringing warships from one coast to the other, will soon direct public attention to the possibility of the Canal being made ineffective in war time, and must arouse thoughts about the wisdom of placing absolute reliance upon it as the gate to let American ships pass to where they are most needed, and the conse-

quent necessity for the American nation to have not one fleet but two fleets, one in each ocean.

I have had counsel with Americans, taking a quiet view of the situation, proud of the Canal, who admit that when their people grasp the full consequence of cutting the Americas in twain they will be compelled to set about having a navy second to none in the world.

I must not, however, neglect the fact that there is a body of opinion which regrets that the United States Government should have thought it necessary to fortify the Canal. Doing so brings obligations and responsibilities, the end of which is far from sight. It will mean a bigger navy, maintained on a footing and at an expense in no way consonant with the present ambition or wishes of the American people. The opponents of fortification believe that the neutralisation of the Canal could have been guaranteed by the Great Powers. How this would have been possible is hard to understand, as the United States would want to use the Canal in war time, and the other belligerent would not be likely to keep to a "hands off" policy in regard to what might prove the crack in the American armour through which the lance could be thrust.

However, the United States is committed to fortifications, and must bear the brunt of the troubles which will inevitably arise. At present the majority

of American citizens do not bother about peering into the future. The Panama Canal is nearing completion, and is a worthy monument to American enterprise, organisation, and determination. The dream of four centuries will be a reality within a couple of years. With that prospect the Americans are content.

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